NATIONAL BANK
OF GREECE

Corporate Presentation

October 2015

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Key strengths

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Key strengths

NATIONAL BANK
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1. **Strong brand recognition and deeply rooted customer relationships**
2. **Consistently strong domestic funding and liquidity profile**
3. **Resilient Greek PPI with improvement potential**
4. **Attractive and profitable domestic and international subsidiaries**
5. **Asset and liability structure provide maximum strategic flexibility**

1 Strong brand recognition and deeply rooted customer relationships

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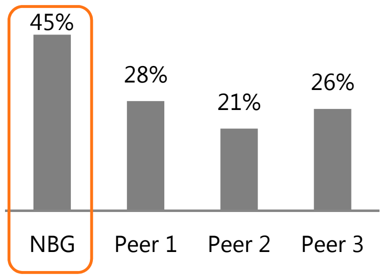
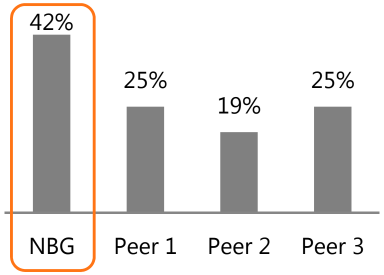
Reputational excellence in Greece: "premium brand of choice"

Bank of reference in Greece for over 170 years

Best Reputation (Survey) [1]



Most Trustworthy (Survey)[1]

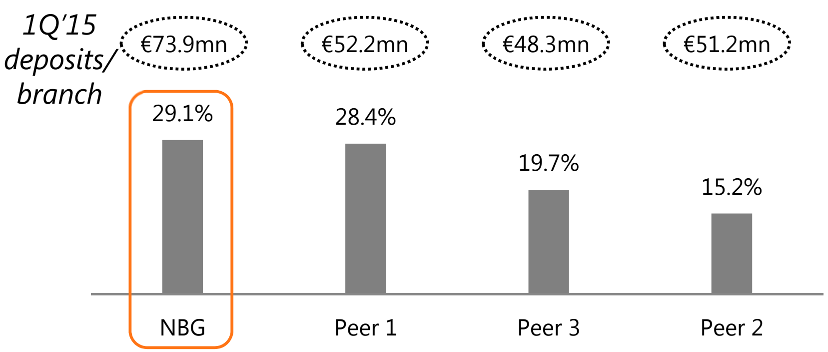


Strategically positioned with high customer penetration

- *High customer penetration*
  - *6mn+ retail customers*
  - *c.8,700 corporate clients [4]*
  - *1,423 ATMs*
  - *55,000 POS*
  - *3,5mn debit cards*
- *527 [3] branches providing full and efficient geographic coverage*

Deeply rooted customer relationships

Core deposit market share (1Q'15) [2]



Limited participation in M&A activity during Greek banking sector consolidation has safeguarded NBG's identity, client relationships and has enhanced service experience

- *No brand contamination*
- *Culture preservation and consistency in service with focus on innovation and improvements*
- *Well positioned to manage loan performance and troubled assets*
  - *Knowledge of customer base (KYC)*
  - *Consistent, conservative underwriting standards*
- *Well positioned to attract deposit inflows*

Source: Company disclosure

Notes: (1) Based on C.A.P.I . tracking study during the period April-June 2015

(2) Core deposits include current, sight and savings .Greek deposit market as per the BoG definition includes deposits of the general government.

(3) Includes 1 private banking unit; number of branches as of October 2015

(4) Not including SBLs

1 Technology and innovation provide new value added services

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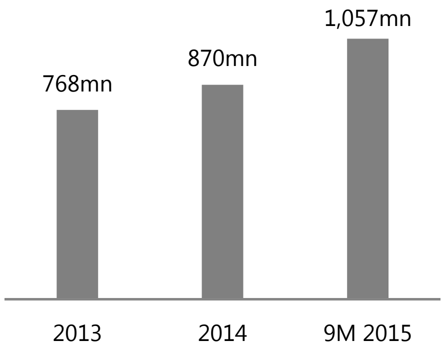
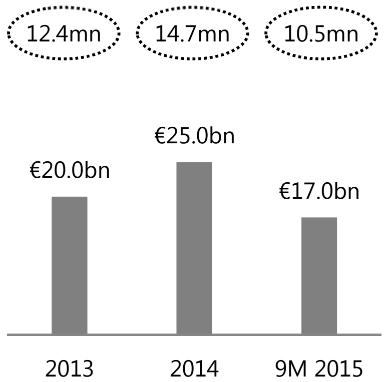
- Modern and sophisticated bank offering premium cashless and digital services
- Strategic emphasis on developing and upgrading the i-bank platform has resulted in significant transaction growth
- Following imposition of capital controls NBG issued c.609,000 debit cards and opened 130,000 e-banking accounts. Transaction volumes increased more than 100% yoy

Strong digital channels

Internet users



Electronic transactions



Selected digital and premium initiatives

- Extensive e-banking platform with ancillary value adding services (e.g. money transfers, share trading, payment of dues to tax authorities and other companies and organizations)
- Highly innovative i-bank store platform targeting young age groups
- Premium banking provides a personalized service to the affluent segment
- Upgrading digital infrastructure a key priority
- Popular loyalty programme (Go4more) with 220,000 members as of Oct'15

Old but not old fashioned

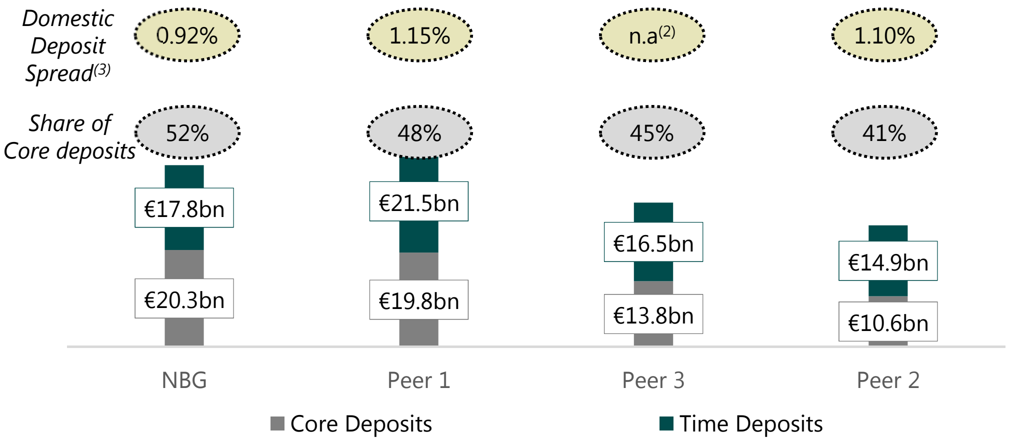
i-bank Store

Premium Branches

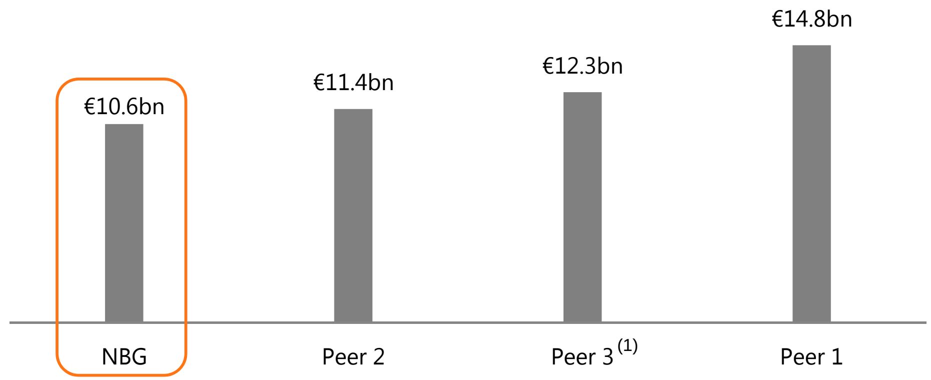
Source: NBG

2 Consistently strong domestic funding and liquidity profile

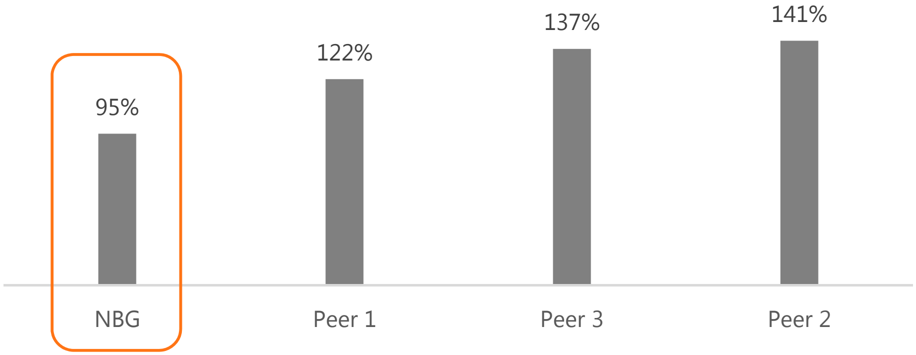
Highest exposure in domestic core deposits (1Q'15)...



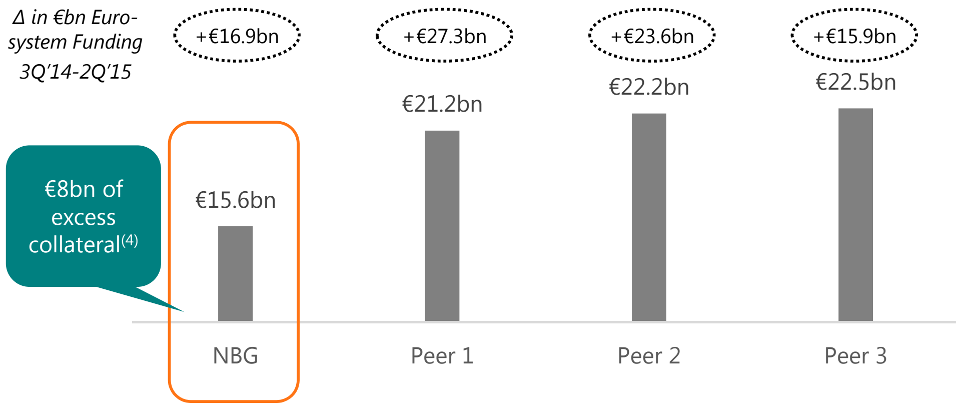
... results in lower deposit outflows between Sep'14-Jun'15...



... which is combined with the lowest L/D ratio (1Q'15)...



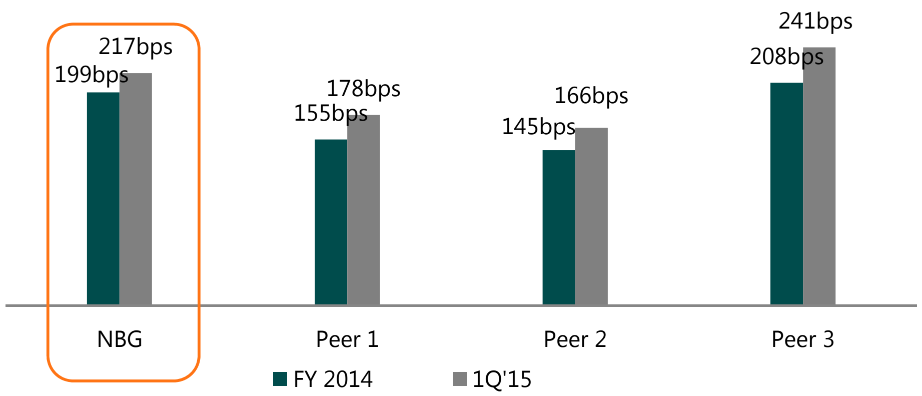
... and less reliance on ELA funding



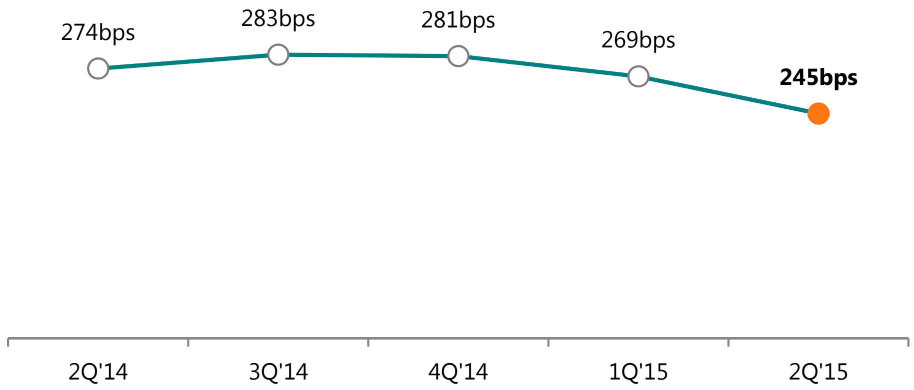
Source: NBG calculations based on company filings
Notes: (1) Based on group deposit outflows for 2Q'15 of €4.9bn
(2) Not available for domestic, only available for Group level
(3) Cost of funding of total deposits (spread)
(4) ELA eligible collateral

3 Resilient Greek PPI with improvement potential

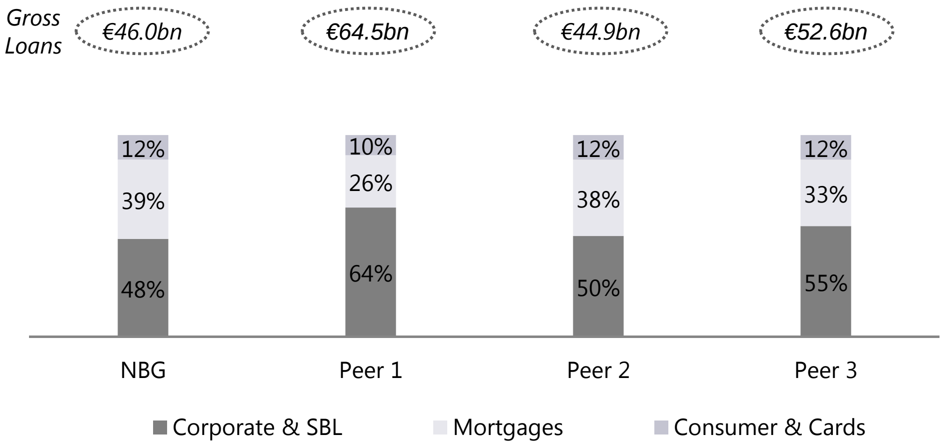
Strong domestic core PPI margin [1] ...



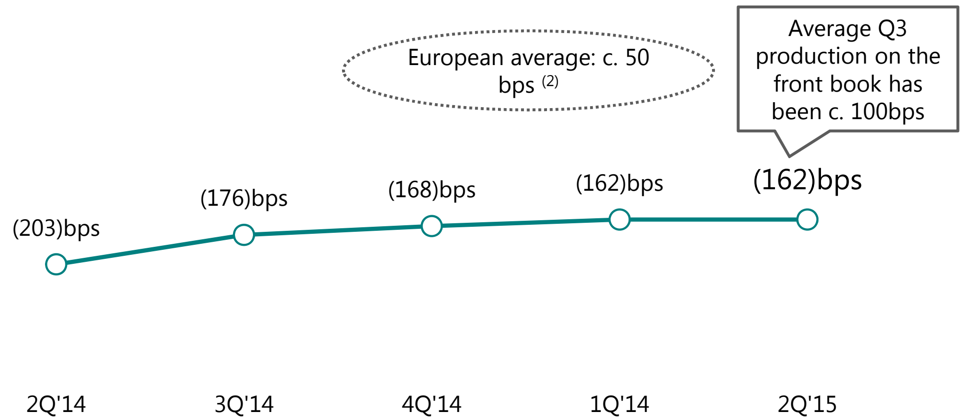
...on the back of resilient NIM, despite...



... having higher exposure in low yielding mortgages (1Q'15)...



...still high time deposit spreads

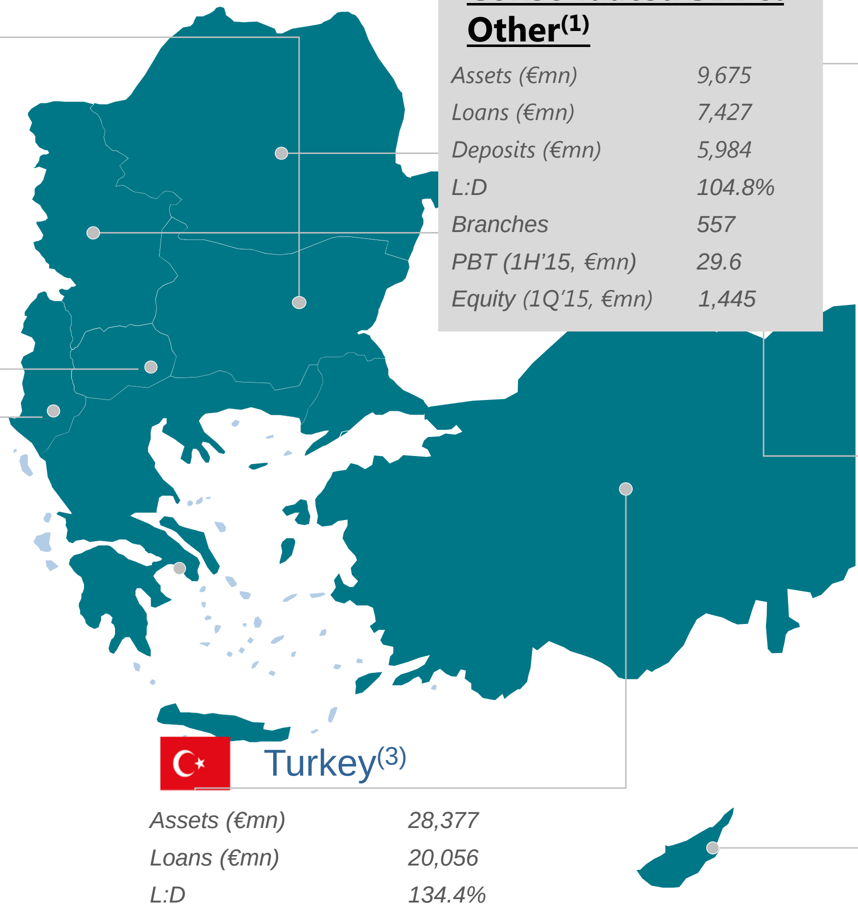


Source: NBG, ECB

Notes: (1) Calculated as domestic Core PPI (calculated as domestic core income minus recurring domestic operating expenses) divided by average net domestic loans

(2) Calculated as European time deposit yield (per ECB - weighted average by corporate and household balances), or 54bps, reduced by 3 month Euribor -0.014%

4 Self funded, well diversified and profitable international business



Bulgaria

Assets (€mn)	3,331
Loans[4] (€mn)	2,721
L:D	94.3%
Branches	200
Loans market share	10.8%
PBT [2][3](€mn) (1H'15)	15
CAR	28.1%

FYROM

Assets (€mn)	1,365
Loans (€mn)	968
L:D	83.7%
Branches	64
Loans market share	22.7%
PBT (€mn) (1H'15)	20.2
CAR	17.8%

Albania

Assets (€mn)	293
Loans (€mn)	203
L:D	85.7%
Branches	27
Loans market share	5.5%
PBT (€mn) (1H'15)	0.6
CAR	16.4%

Consolidated SEE & Other[1]

Assets (€mn)	9,675
Loans (€mn)	7,427
Deposits (€mn)	5,984
L:D	104.8%
Branches	557
PBT (1H'15, €mn)	29.6
Equity (1Q'15, €mn)	1,445

Serbia

Assets (€mn)	1,131
Loans (€mn)	821
L:D	98.2%
Branches	109
Loans market share	5.3%
PBT (€mn) (1H'15)	0.3
CAR	16.7%

Romania

Assets (€mn)	1,952
Loans (€mn)	1,522
L:D	184.9%
Branches	116
Loans market share	3.2%
PBT (€mn) (1H'15)	(2.5)
CAR	19.0%

Turkey[3]

Assets (€mn)	28,377
Loans (€mn)	20,056
L:D	134.4%
Branches	654
Loans market share	4.1%
PBT (1H'15)	207
CAR (BRSA Consol)	15.9%

Cyprus

Assets (€mn)	482
Loans (€mn)	813
L:D	107.6%
Branches	16
Loans market share	2.1%
PBT (€mn) (1H'15)	2.8
CAR	24.0%

Also present in South Africa, Egypt, Malta, London, Australia
Market shares for Bulgaria, Romania and Serbia include the Leasing entities

Source: NBG
Notes: (1) Includes international activities excluding Turkey
(2) PBT: profit before tax, all figures as of 1H'15 unless otherwise stated
(3) Turkey includes Finansbank IFRS Consol + London + Malta Loans. CAR is shown on Finansbank BRSA consolidated basis
(4) Loans figures represent gross balances, L:D on a net basis

4 Finansbank, a sizable and profitable asset in Turkey

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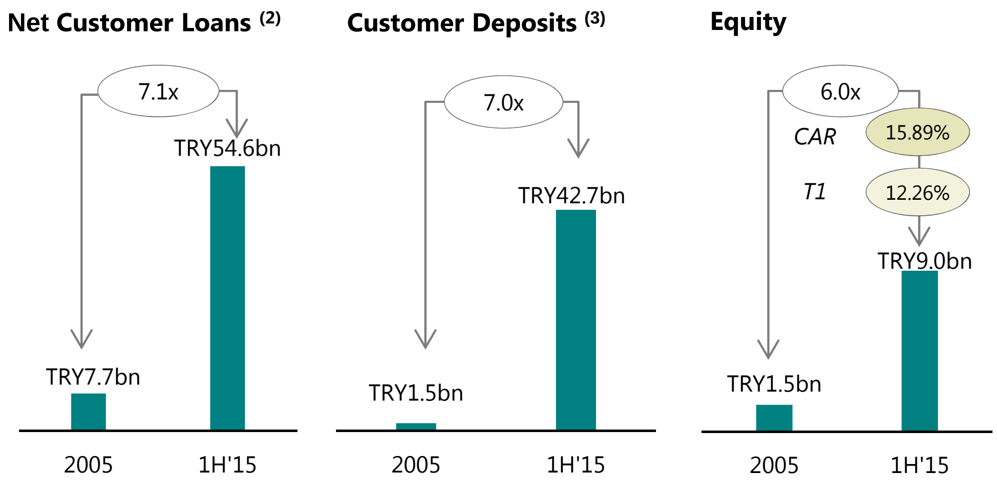
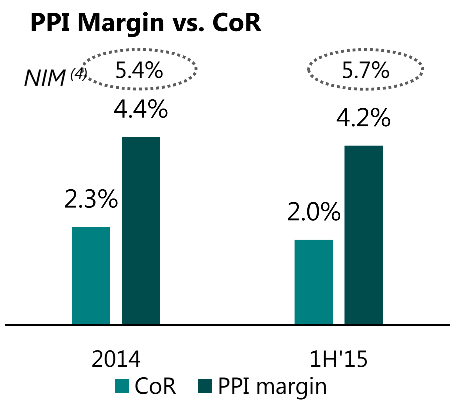
Universal bank with proven track record of success since its foundation

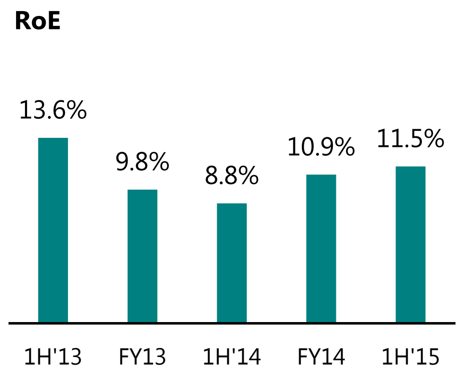
- Finansbank operates in an attractive macroeconomic environment with low banking penetration, and has grown organically into a full service financial institution with an experienced management team
- Finansbank is well capitalised and self funded
- Young, nationwide distribution network
  - 654 branches as of 2Q'15, servicing 5.3mn active customers
  - 8.3 years average branch age (2Q'15)
  - More than 60% of employees client facing
- Operates the only successful internet bank in the country (Enpara)
- Partnerships with leading international institutions: Sompo Japan in P&C and Cigna in life insurance and private pensions
- Long term foreign currency ratings of Ba2 / BBB- (Moody's / Fitch)

No. 5 privately owned bank [1] with a strong track record of profitable growth



2.9953 TRY / EUR FX rate as of 30th June 2015





Source: Finansbank, BRSA bank only data, The Banks Association of Turkey
Notes: All information presented in this slide are BRSA bank only, except for CAR and T1 ratios that are BRSA consolidated
(1) As of 2Q'15
(2) Customer loans include loans measured at fair value through profit and loss
(3) Does not include bank deposits balance
(4) Before swap

4 NBG Insurance: #1 in Greece both in life and non-life business

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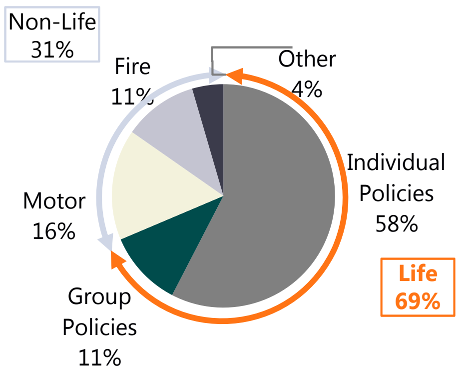
Highly profitable on the back of a multi-channel distribution

- NBG insurance is well positioned in Greece both in life (**26%** market share [1]) and in non-life (**11%** market share [1]) insurance
  - NBG insurance accounts for **19%** of the total insurance market [1] and it is the only composite Greek insurer
- The Greek insurance market is significantly under-penetrated compared to European average
  - Life penetration Greece vs. Europe: 1.0% vs 4.1%[3]
  - Non-Life penetration Greece vs. Europe: 1.2% vs 2.7%[3]
  - The expected pension reforms will further assist the growth and profitability
- NBG insurance operates a multi-channel distribution
  - 2,300 tied agents
  - Long-lasting relationships with brokers
  - Direct business through
    - Online channel branded Ethniki Protect;
    - HQ corporate relationships
  - Bancassurance through NBG's 527 branches (the fastest growing channel)
- Post significant restructuring commenced in 2010 NBG Insurance has become highly profitable delivering RoEs above 15% during the crisis
- Strongly capitalised with a solvency margin of c.500%[1] under Solvency I standards and strong position under Solvency II; BV of €631mn (1Q'15)

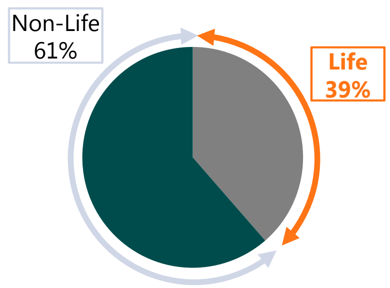
Source: NBG, Ethniki Insurance IFRS accounts, Management accounts
Note: (1) As of 30/06/2015
(2) GWP including reinsurance and policy fees and excluding international operations
(3) SwissRe Sigma report no 4/2015, Europe includes Greece

GWP[2] breakdown FY2014



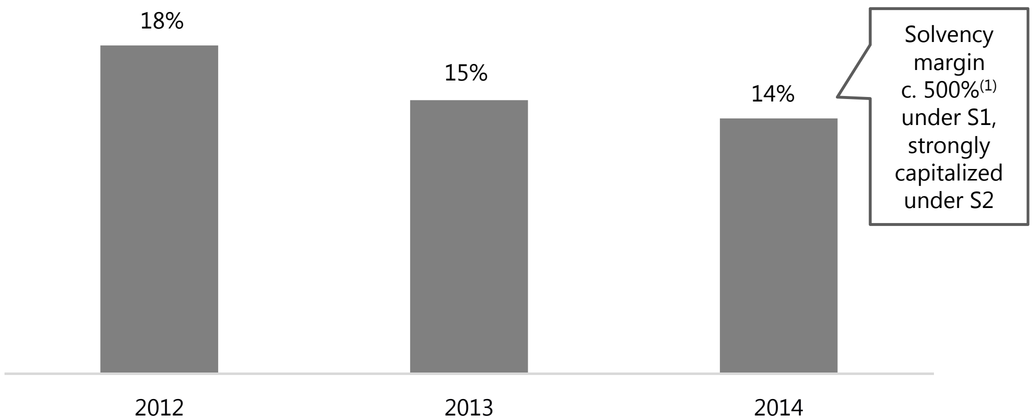
GWP: €749mn

PBT breakdown FY2014



PBT: €107mn

Delivers high RoE on the back of a strong solvency position



5 Asset & liability structure allows for maximum strategic flexibility

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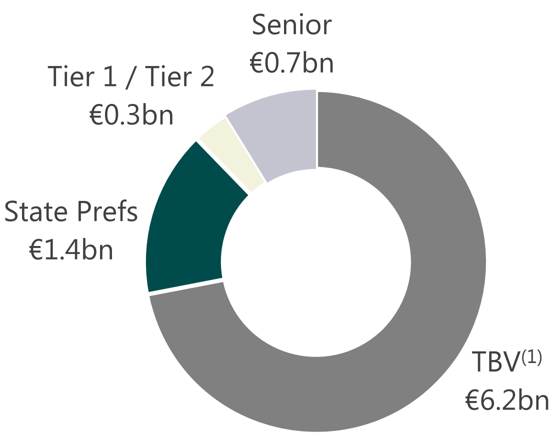
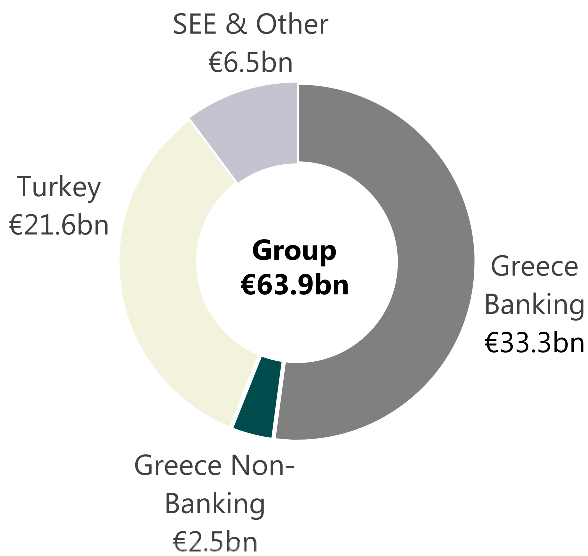
1Q'15	Capital
CET1 Capital, €bn	7.8
RWA, €bn	64.7
CET1 Ratio (%)	12.1

1Q'15	IFRS Book Values(2)
Turkey	€3,710mn
SEE & International Subsidiaries	€1,445mn
Insurance	€631mn
Astir	€130mn

Liability structure (junior to deposits) (1Q'15)



RWA structure (1Q'15)



Source: NBG
Notes: (1) Tangible book value
(2) At subsidiary level

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Drivers of profit growth

2

Strategic objectives and priorities

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1	Funding cost improvement	■ Return of deposits to the system ■ Time deposit repricing ■ Reduction of ELA ■ Reduction / expiration of government guaranteed bonds (Pillar II)
2	Business mix optimisation	■ New production to be directed to higher margin corporate business ■ Repayments of low margin mortgages to improve loan mix
3	Commission income generation	■ Currently depressed run-rate vs. pre-crisis levels due to recessionary environment ■ Significant potential for increasing commission income from well-positioned fee-generating businesses
4	Efficiency improvement	■ Room to reduce staff costs further ■ Additional G&A rationalisation and centralisation of operations
5	Cost of risk normalisation	■ Aim of AQR is to fully address any provisioning requirements ■ Capital controls affected delinquency formation only temporarily ■ Economic recovery to reduce formation levels, allowing for CoR normalisation

Strategy geared towards significant profitability uplift

1 Strong tailwinds underpin Greek recovery

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A Over the past 5 years, Greece achieved an unprecedented correction of economic imbalances

- Greece improved its cyclically adjusted primary balance by 17% of GDP between end-2009 and end-2014
- Large gains of price competitiveness (e.g. wages have been reduced by c. 23% since 2009) transformed the country's persistent current account deficit into a surplus
- The adjustment appears broadly resilient to recently experienced economic headwinds (related to political and economic uncertainty, liquidity shortages, capital controls)

B Impact of recently imposed capital controls not as severe as originally expected

- Cash-based and import-dependent Greek economy was expected to face severe pressures from the imposition of capital controls
- Most recent indicators suggest that capital controls were anticipated by households and corporates; therefore the resulting economic pressures were alleviated
- The advanced stage of economic and corporate restructuring also limited the impact to the economy

C The agreement of the new economic programme and the election of a pro-reform government set the stage for a sustainable recovery

- Stable pro-reform government and a pro-Euro parliament will aid the implementation of the programme
- The economic program covers the debt servicing needs for 3 years, provides ample liquidity and a path to sustainable recovery via structural reforms

As a result, the Greek economy would be set on a path of sustainable economic recovery supported by enhanced competitiveness, improving liquidity conditions and positive base effects

Source: EU Commission; Bank of Greece

1 Positioned to benefit from deposit inflows

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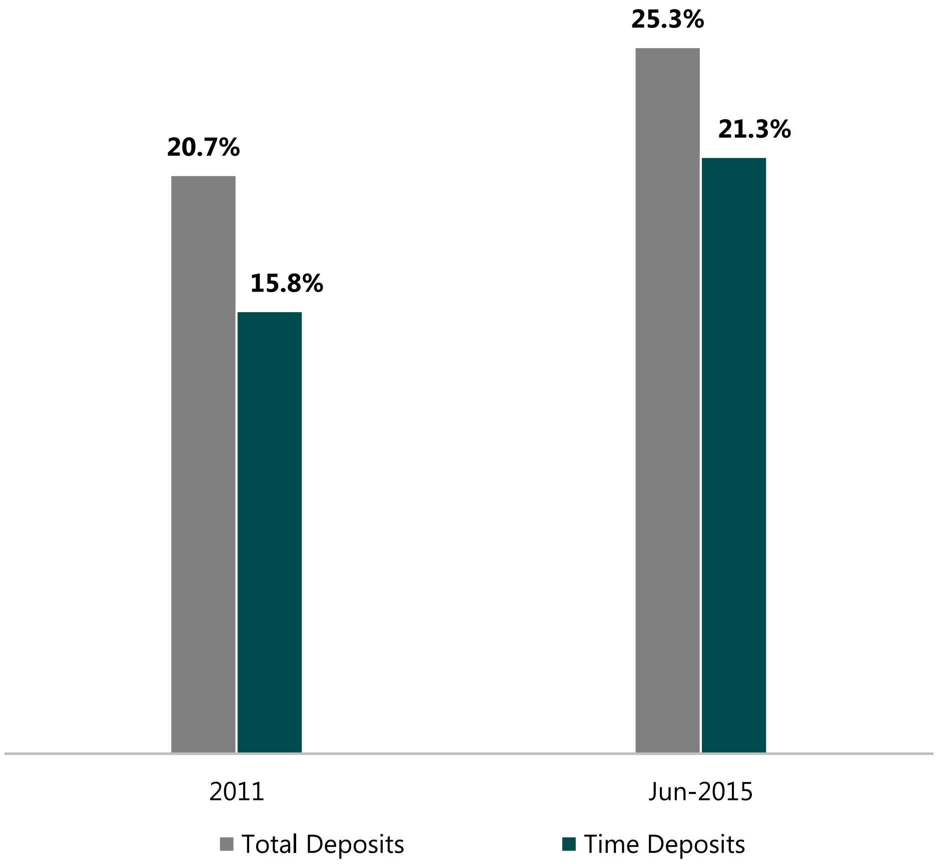
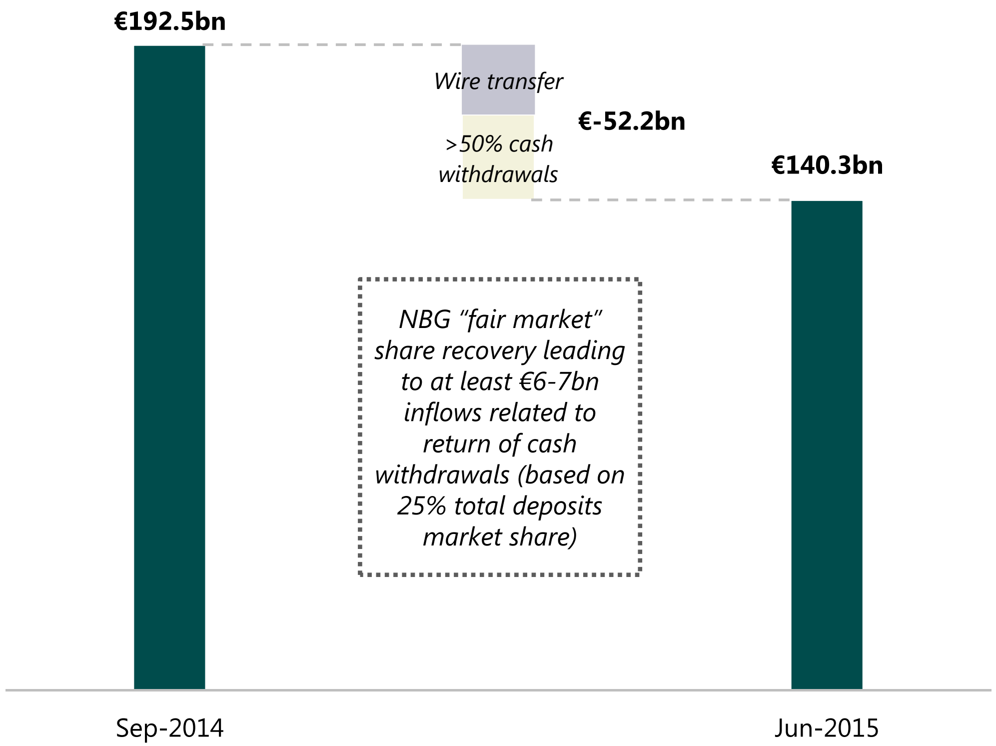
Franchise value leads to organic gains in market share



NBG "fair market" share in deposits should lead to €6-7bn inflows

Part of the cash withdrawals is expected to return as soon as confidence in the banking system is restored



Source: NBG

1 Potential uplift from improved funding costs

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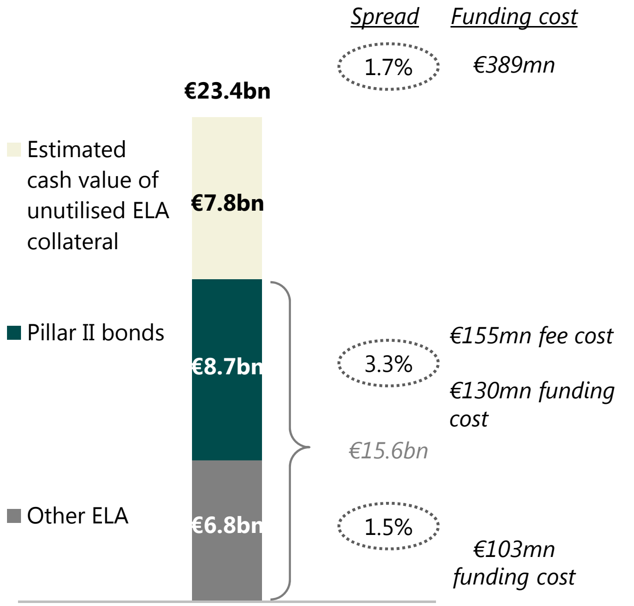
Cash value of ELA collateral [1]



Substitution of Pillar II bonds within ELA funding

- *Return of deposits to the system*
- *Improving deposit base and economic environment will allow considerable reduction in Pillar II guarantees*
- *Associated fee costs of guarantees at 178 bps on cash value or €155mn per annum*

Substitution of ELA funding with ECB and deposits

- *In line with Greece's MoU deliverable, ECB can be expected over time to:*
  - *Reduce haircuts*
  - *Reinstate Greek banks waiver*
  - *Accept credit claims*
- *Spreads on time deposits likely to price down in line with EU coverage*
  - *Current pricing at ca. 100 bps*

Areas of potential uplift:

- *Pillar II bonds left to expire: €155mn per annum*
- *Replacement of €3.8bn of ELA with ECB funding post reinstatement of waiver by ECB: €55mn per annum* [2]
- *100 bps improvement in Q2'15 time deposit spreads would deliver >€150mn per annum (in Q3'15, spreads have already reduced by ca. 50 bps)* [3]

Source: NBG
Notes: all NBG figures refer to domestic Greek business
(1) As of 30-Sep-2015
(2) Based on €3.8bn multiplied by 150 bps cost of ELA funding minus 5 bps cost of ECB funding
(3) Based on time deposit funding cost improvement from current levels to European levels across €15.1 Bn time deposit portfolio

2 Increased corporate lending improves business mix lending

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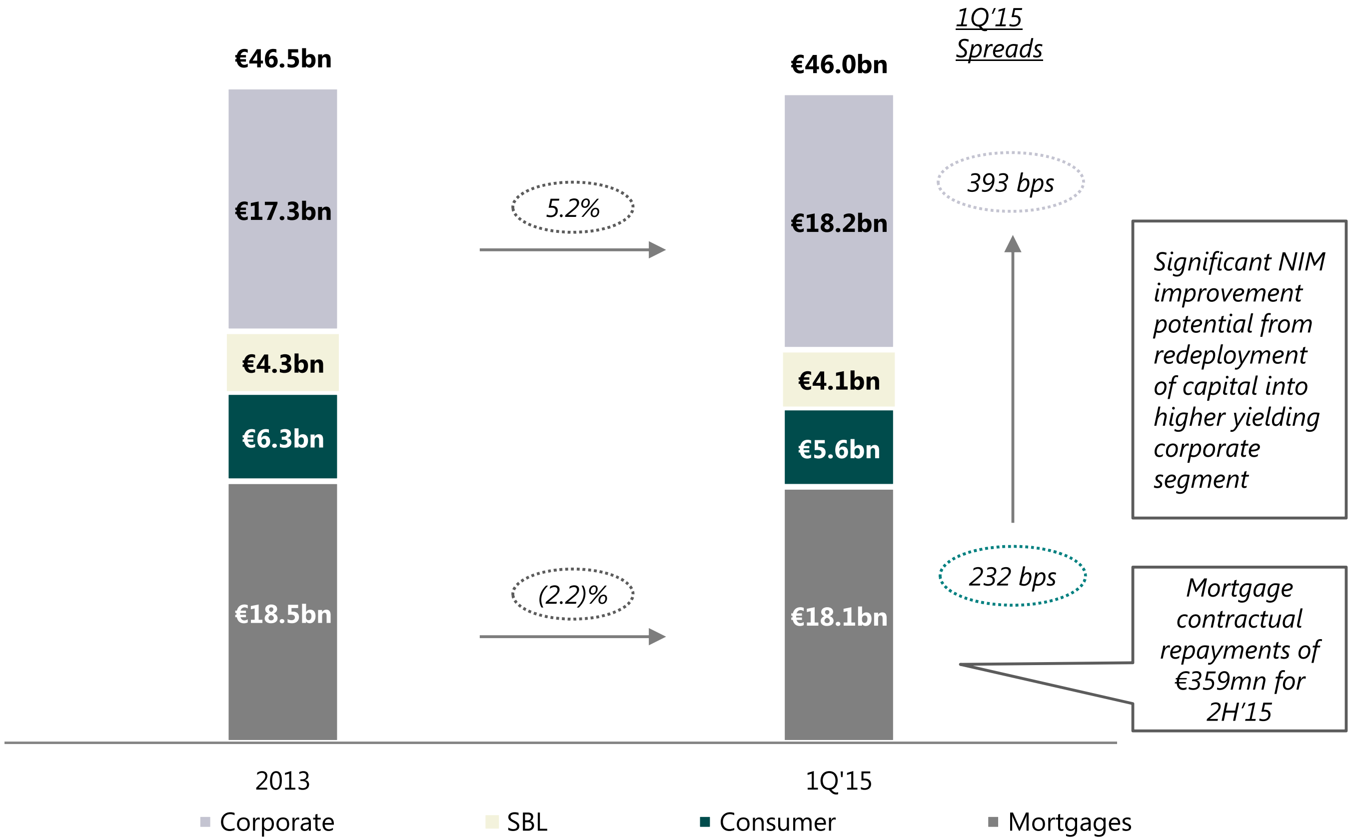
Well positioned to extend credit

- Leveraging on its liquidity position, NBG expects to resume extending credit as soon as the situation in Greece normalises
  - Track record of disbursing €1.4bn in 2014 of which €1.2bn in corporate loans
  - Highly leveraged peers are liquidity constrained
- Demand for credit expected from corporate clients where NBG intends to focus
- Rebalancing of business mix should enhance lending margins considerably

Portfolio rebalancing towards corporates to enhance lending spread (1)



Source: NBG
Notes: all NBG figures refer to domestic Greek business
(1) Data in charts refers to gross loans

3 Depressed fee income should be revived by economic recovery and increased banking activity

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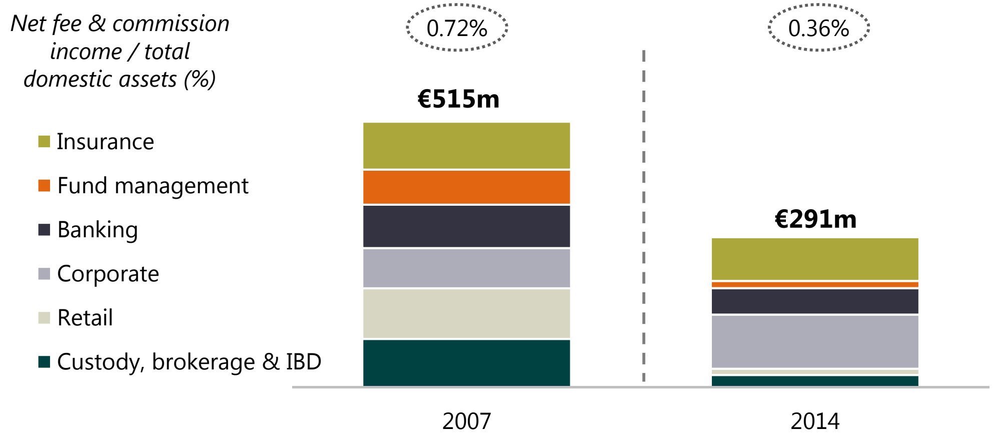
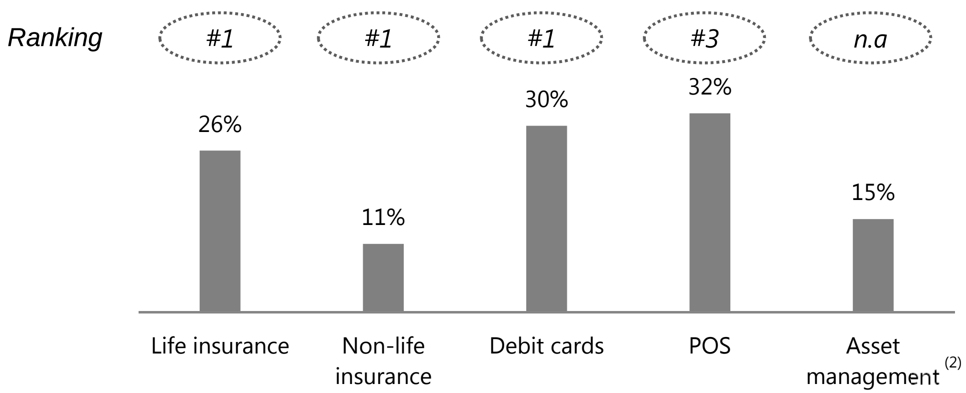
Drivers of fee and commission revenue

- Low run-rate vs. pre-crisis levels due to economic recession and depressed transaction activity levels
- Potential for major uplift in income through attractive and diversified fee sources:
  - New disbursements to drive origination fees
  - Cashless activity to drive fee generation from transactions, debit cards and POS
  - Cross-selling investment, mutual funds, insurance and brokerage services
  - Private banking services to high net worth individuals

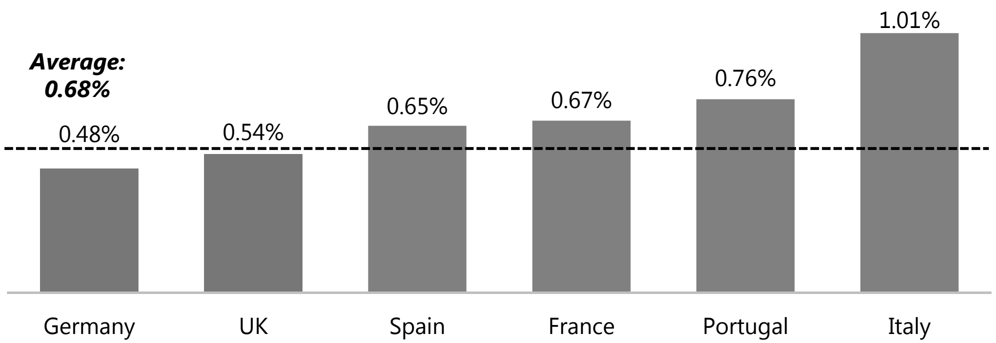
Fee commission income through the cycle (excl. guarantee fees)



Market leading positions across fee generating businesses [3]



NFC income / total assets (%) in Europe [1] as of 2014



Source: NBG
Notes: all NBG figures refer to domestic Greek business
(1) ECB data for all domestic banking groups and standalone banks
(2) Based on mutual fund market share
(3) Market share as of December 2014

4 Potential for further efficiency improvements

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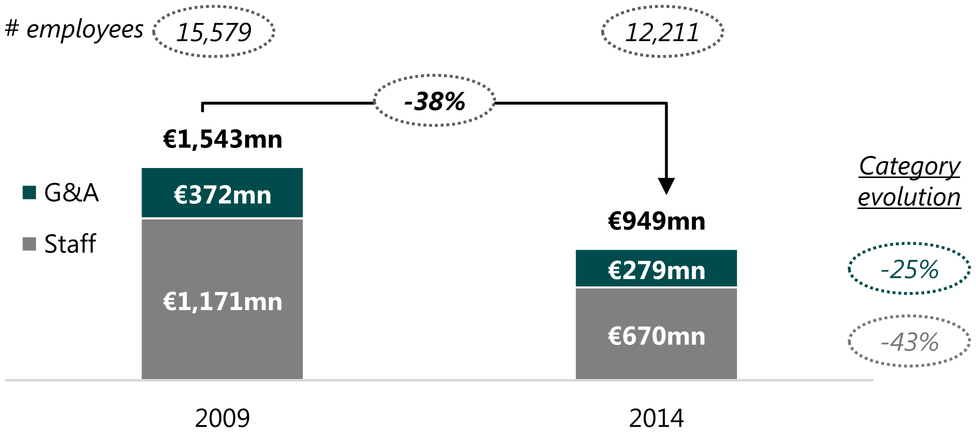
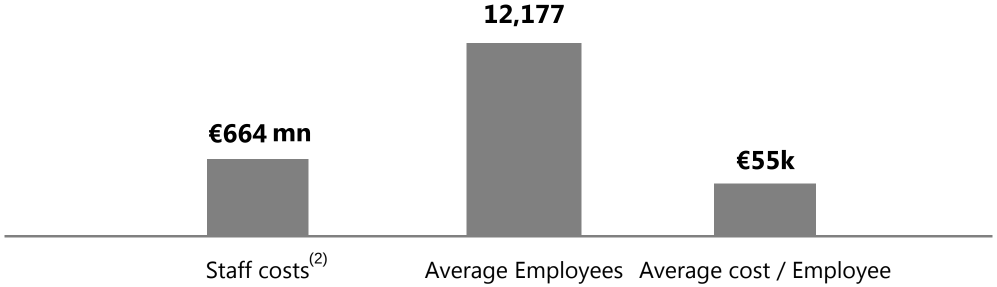
Operating expenses[1] evolution



Key drivers

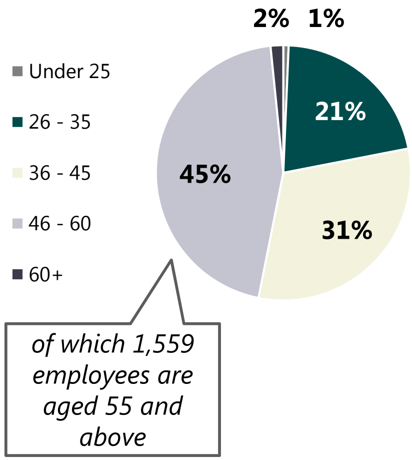
- 4.4% contractually agreed reduction on pension fund related employer contributions in 2016, more to come
- Expected natural attrition of 420 FTEs in 1H'15, 48 in 2H'15, 202 in 2016 and 333 in 2017
- Digitalisation of banking operations, rationalisation of IT investments and projects
- Further centralisation of branch operations

Average cost per employee as of 1H 2015

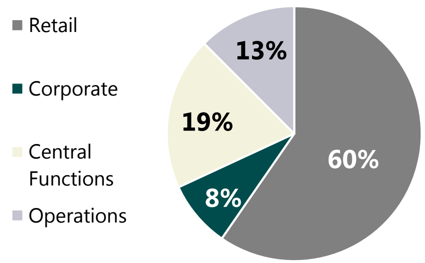


Breakdown of staff by age and function

Age structure



Staff by function



Source: NBG
Notes: all NBG figures refer to domestic Greek business
(1) Operating expenses exclude VRS one-offs
(2) Annualised figure.

5 Declining NPL formation and cost of risk improvement

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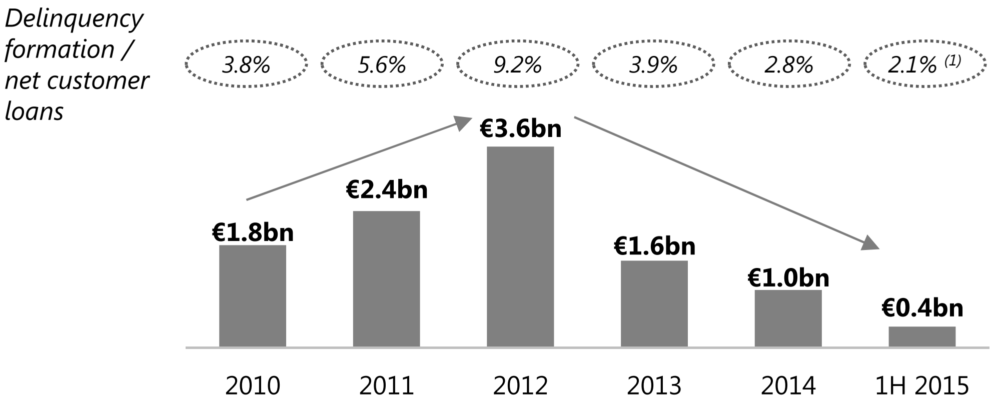
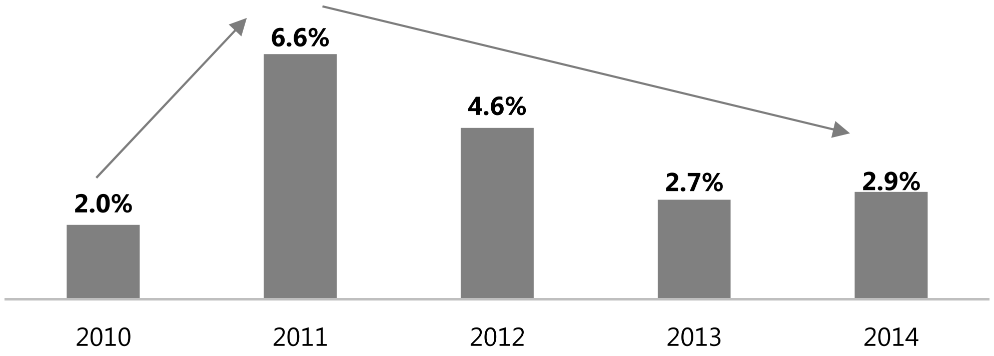
Delinquency formation abates



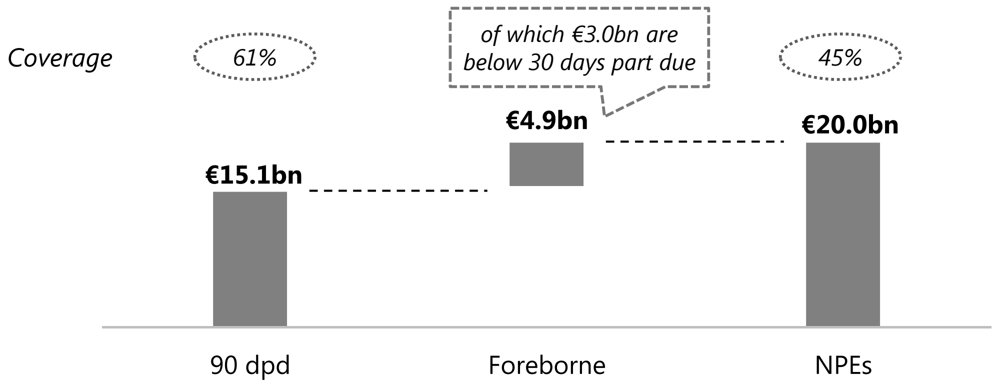
Key drivers

- NPL formation peaked in 2012, decelerating thereafter
- Aim of AQR to fully address provisioning requirements
- The macro backdrop supports continued decline in formation and likely to lead to normalised cost of risk levels excluding recoveries
- For every 100 bps of CoR reduction, €370mn[(2)] of PBT gain per annum

Cost of risk



90 dpd - NPE reconciliation as of 1Q'15



Source: NBG
Notes: all NBG figures refer to domestic Greek business
(1) Annualised figure
(2) Calculated as average of net loans in 2013 and 2014 multiplied by 100 bps

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Upside Potential from NPL Management

3

1 Dedicated and independent internal units for retail and corporate NPL management

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Corporate NPL Management

- Special Assets Unit ("SAU") is a centralised unit with end-to-end responsibility for the management of corporate NPLs with:
  - Vertically integrated management to ensure single point accountability and efficient decision making
  - Dedicated SAU RMs and separate Credit Committee
  - Clear prioritisation strategy based on status, size, collateralisation levels and legal status
  - Internally developed tools to prioritise alternative strategies and assess debtors' viability
  - Short-term and longer-term target setting and RM productivity monitored monthly

Retail NPL Management

- Retail Collections Unit ("RCU") is an independent unit focused on management of retail NPL
  - Centralised unit with end-to-end responsibility
  - Strategy differentiated by customer segmentation : emphasis on collecting in early buckets, restructuring subsequently and settlements for >360dpd
  - New restructuring products designed to ensure solution sustainability based on PTI (i.e ability to repay)
  - Tight performance monitoring of internal collection center and external agents and lawyers through comprehensive KPIs
  - Champion/challenger tactics frequently employed to test new segment strategies based on cohort attributes (profession, income, dpd, collateral)

Overview of Portfolio

Corporate	Balance (€bn)	of which (denounced)	#Clients	FTEs
Large Corporates	1.7	2.7	373	19
SMEs[1]	2.4	0.6	3,871	62
SBL(Legal Entities)[2]	1.4	1.3	12,489	80
Denounced [3]	n.a	n.a	11,192	52
Legal, Control & Operational				54
Total	**5.5**		**16,733**	**267**

Retail [4]	Balance (€bn)	Functions	Clients ('000)	FTE
Mortgages	9.2	Collections	84	185
Consumer	3.8	Restructuring	100	170
Micro-SBL	1.3	Legal/ Settlements	227	170
Total	**14.3**		**411**	**525**
Branches (execution)				592
External collection agencies				212
External law offices (restructuring/settlements)				146

c. 1,800 FTEs deployed in NPL management

Source: NBG
Notes: all NBG figures refer to domestic Greek business
(1) SME: small & medium enterprises
(2) SBL: small business loans
(3) Denounced: legal procedures have been initiated
(4) Based on preliminary operational figures as of 31.08.15 where RCU is responsible for >0 dpd loans

2 RCU: A centralised approach delivers tangible results

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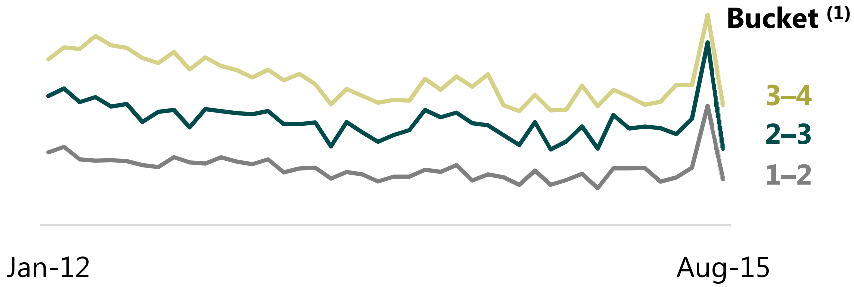
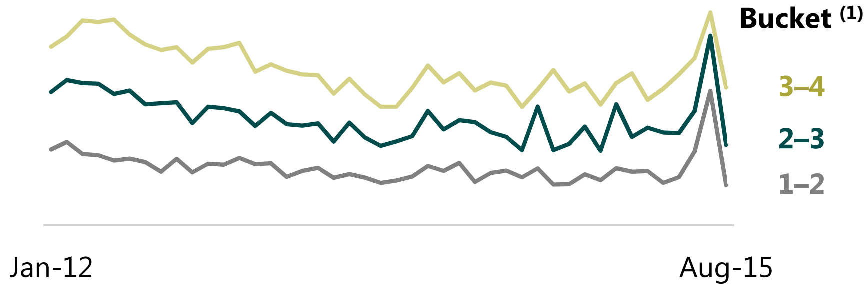
- **Matrix strategy based on customer risk profile and delinquency status, on the back of statistical segmentation of customers**

	Channels	Offerings/Products
Collections (Early Delinquencies)	▪ Call Centre with sophisticated call strategy and monitoring tools fully integrated with best in class IT ▪ External agencies (focusing on smaller tickets and early delinquencies, mostly consumer credit, incentive based remuneration)	▪ Soft collection/hard collection, based on risk category, balance size, dpd and client response

Collections roll rates mortgage loans (non-restructured)



Collections roll rates consumer loans (non-restructured)



- **Short-lived impact from capital controls, normalisation post July 2015**

Source: NBG
Notes: (1) Represent number of missed payments

3 RCU: A centralised approach delivers tangible results

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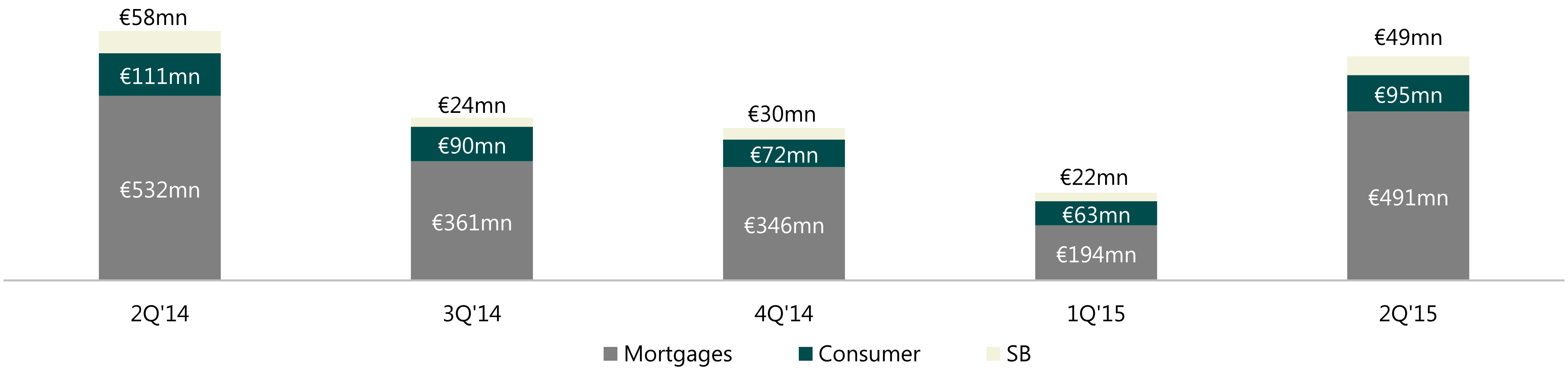
- **Matrix strategy based on customer risk profile and delinquency status, on the back of statistical segmentation of customers**

	Channels	Offerings/Products
Restructurings (Mid Delinquencies)	▪ Call centre (offers restructuring solutions based on client characteristics) ▪ Branches (execute call centre agreements) ▪ External law firms (offer restructuring solution to clients vs. pursuing legal action)	▪ Collateral addition ▪ Maturity extension ▪ Monthly payment reduction for 3-6 years based on PTI ▪ Split & freeze (no interest on frozen component for 5-10 years) ▪ Incentives offered to remain current in the form of the write-off (interest or capital) at maturity
Settlements (Late Delinquencies)	▪ External law firms (offer settlement to denounced clients vs. pursuing legal action)	▪ Write-off of penalty interest, as well as a % of capital depending on collateral and duration of repayment schedule, no interest agreement

Restructurings



Source: NBG

4 SAU: Well designed, comprehensive strategy and solutions

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SAU: Independent unit for efficient and rapid solutions for corporate clients

Strategy

- ✓ Independence
- ✓ Dedicated resources
- ✓ Prioritization Strategy
- ✓ Standardised solutions for SBLs
- ✓ Tight monitoring to ensure speed

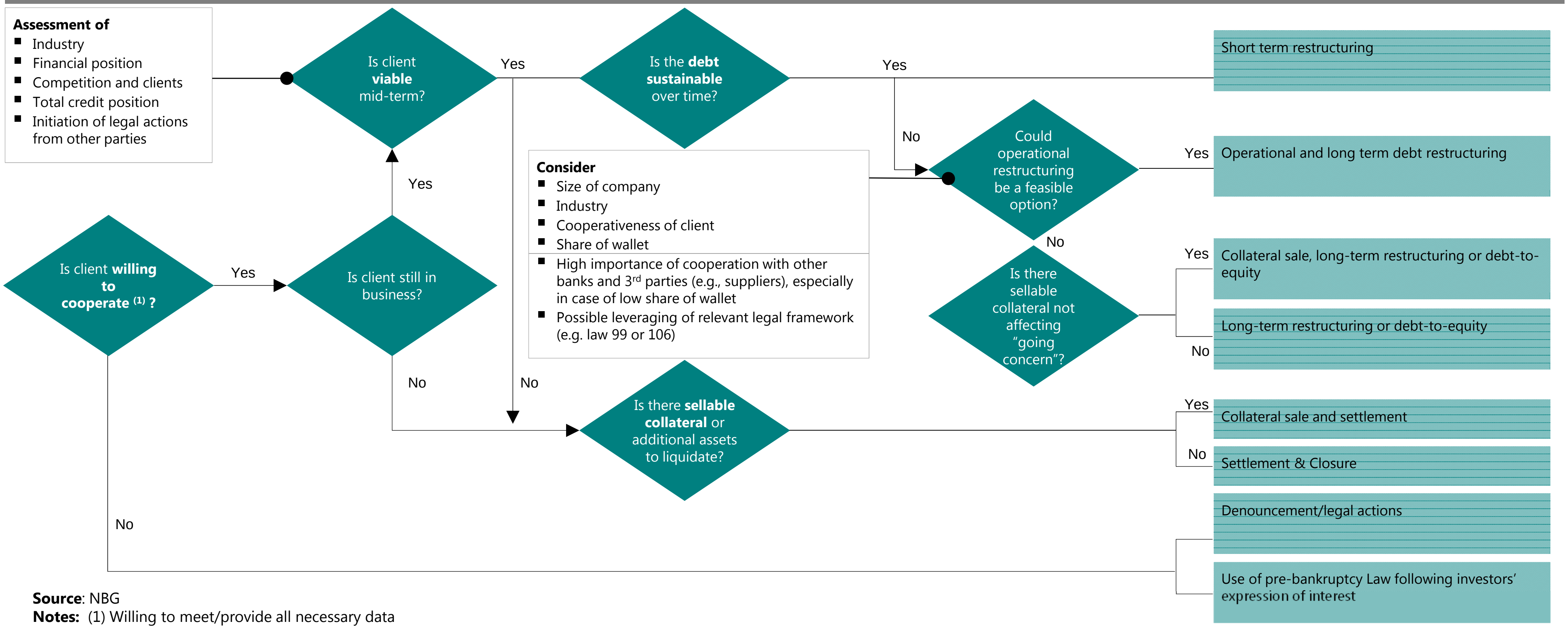
Operations/Monitoring

- ✓ Standalone from "Good Bank"
- ✓ Well-defined criteria for loan transfers (only two times/year)
- ✓ Dedicated investment banking unit for complex deals
- ✓ Coordination with real estate unit of bank for foreclosed assets
- ✓ Standardised RFPs for IBRs
- ✓ Regular training to RMs

Tools

- ✓ Solution management for daily portfolio management (CRM)
- ✓ Viability assessment for large and small corporates
- ✓ NPV tool
- ✓ Workflow application for SBLs
- ✓ MIS on unit productivity

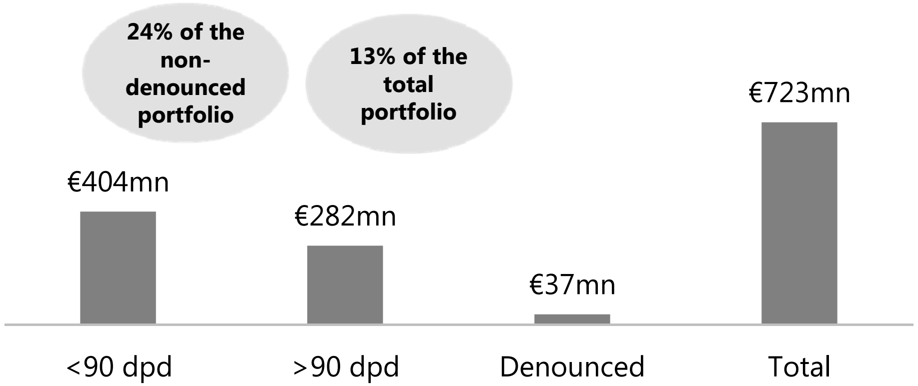
Selection of high level strategy – LCs/SMEs



Source: NBG
Notes: (1) Willing to meet/provide all necessary data

5 Strong performance to date and robust coverage pave the way to recoveries and profitability

Restructurings (1H'15)

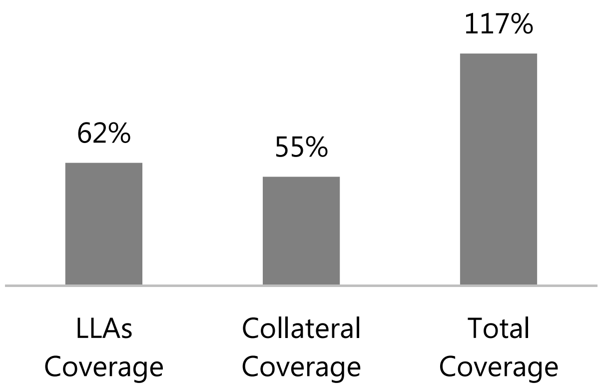


Collections

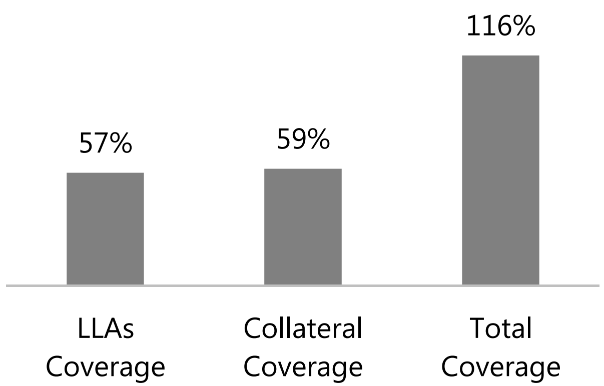
	% of Portfolio (annualised)
<90 dpd	9.0%
>90 dpd	1.7%
Denounced	0.8%
Total	**2.9%**

Highly provided and well-collateralised book

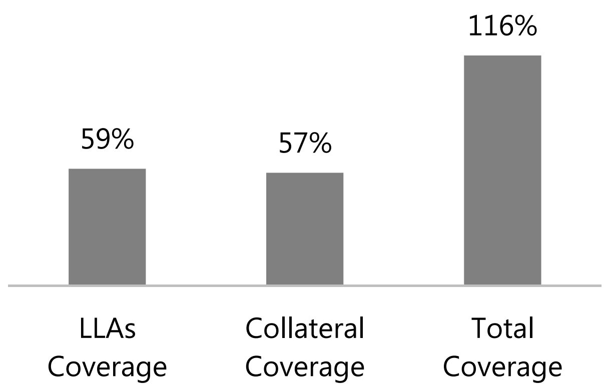
Large Corporate



SMEs



SBLs



Source: NBG

6 Strengthened NPL resolution ability through legislative change

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Creditor friendly Civil Procedure Law and imminent changes in Bankruptcy/ Personal Bankruptcy Code stipulated by the 3rd MoU programme (January 2016)

The new legal framework facilitates faster, simpler and more efficient processing of NPLs and significantly improves recoverability potential

- Shorter time from denouncement to auction (incl. enforcement period) completion and recovery of claims (1+ years vs. 3+ years today)
- Simpler and shorter liquidation process for non-viable debtors
- Improvement in auction proceed receipts (65% - 100%) to secured creditors
- Cost savings (20% average reduction in expenses pre-paid by the creditor)
- Limits possibility of manipulation or fraud by treating legal actions unfavourably
- Allows for amicable settlement
- Earlier initiation of rehabilitation pre-insolvency procedure based only on likelihood of future insolvency
- Shorter bankruptcy procedure

Implementation Timeline of NPL resolution framework (3rd MOU)

By end-October 2015
- HFSF to finalise its study on non-regulatory constraints that prevent the development of a robust NPL market while BoG will publish its report on NPLs segmentation and the capacity of each bank to deal with each segment
- A Debt Information network and Debt Information Centre is expected to be established by the Government, to provide legal and financial advisory to borrowers in need

By end-November 2015
- The new and improved legal/judicial framework for corporate and household insolvencies will be shaped and the Credit and Wealth Bureau will be set-up as an independent authority
- Courts will commence operations of the specialist chambers for corporate insolvencies at the same time as the final amendment of the out-of-court workout law is expected

By end-December 2015
- Final legislation on fast-track liquidation process is due
- Commercial debtors to be categorised based on assessment of their viability

By end-February 2016
- Greek Banks to agree with BoG and HFSF assessment criteria and operational targets for their NPLs portfolio

By end-March 2016
- Revision of the Code of Conduct/guidelines for debt restructuring by the BoG

By end-June 2016
- BoG, HFSF and the Government to make a final assessment of the overall NPL framework and its effectiveness – final amendments to take place

Source: NBG

6 Successful NPL management holds the key for bottom-line and RoE outperformance

- **External factors support NPL management**
  - Political stability and macro trends pave the way to recovery
  - Regulatory focus with close monitoring of TAR development
  - Credit friendly legal framework (following the signing of 3rd MOU Programme) a catalyst for effective NPL management and ambitious target setting
- **NBG leverages on developments and takes actions to overshoot targets:**
  - Operation of a fully fledged and independent internal bad bank for both retail and corporate NPLs already delivers tangible results
  - Cooperation with external parties (collection agencies and law firms) has improved productivity and effectiveness
  - Collaboration with other banks comprehensively addresses large client and sectorial exposures
  - Potential to develop strategic partnerships or JVs to leverage international expertise
  - Potential to explore value accretive portfolio sales

- **Top management priority**
- **15-20% reduction in post-AQR lifetime losses**

Source: NBG

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OF GREECE

Macro update

4

Unprecedented economic adjustment results in correction of fiscal and external imbalances

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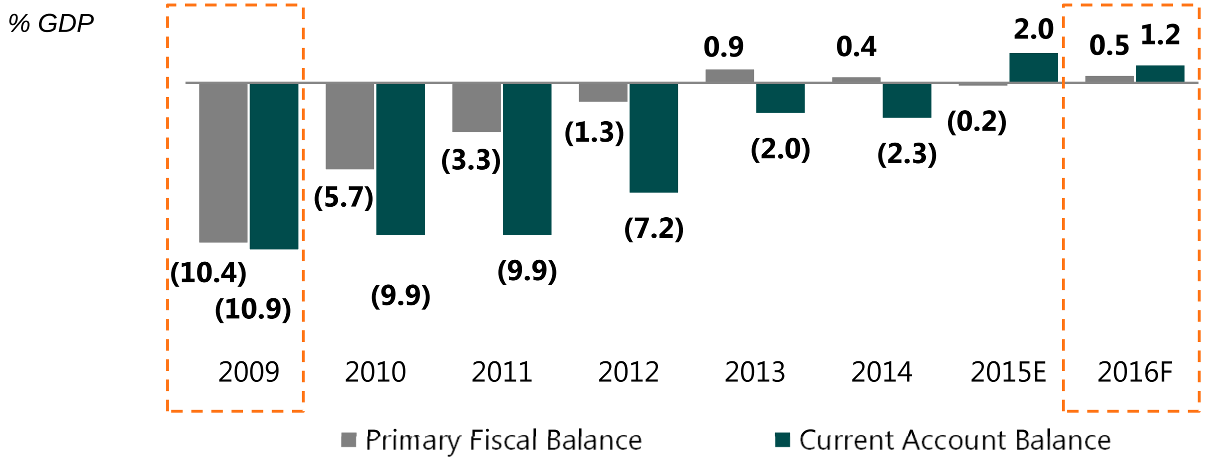
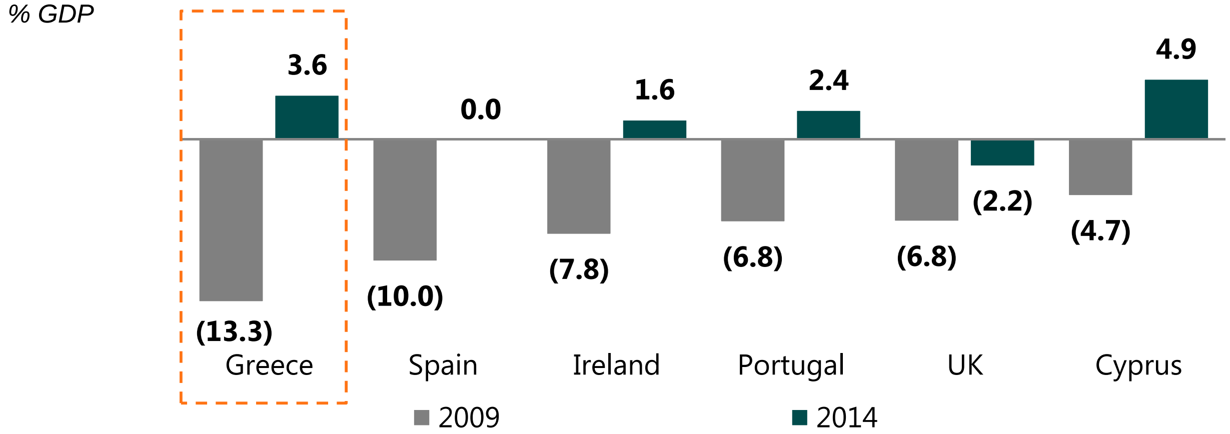
Current account and primary fiscal balance



Commentary

- During 2009 – 2015E, the Greek economy achieved significant fiscal and current account rebalancing
- Decline of primary fiscal balance of c. 10% and of current account balance of 13% of GDP during 2009 – 2015E

Cyclically adjusted primary balance - comparison



Commentary

- Amongst countries that underwent an economic adjustment programme, Greece achieved the fastest and most intense fiscal correction/adjustment
- Cyclical adjusted primary fiscal balance improved by 17% of GDP during 2009 – 2014

Source: IMF; EU Commission; Greek Government Preliminary Budget for 2016

Economic adjustment has led to restoration of competitive positioning

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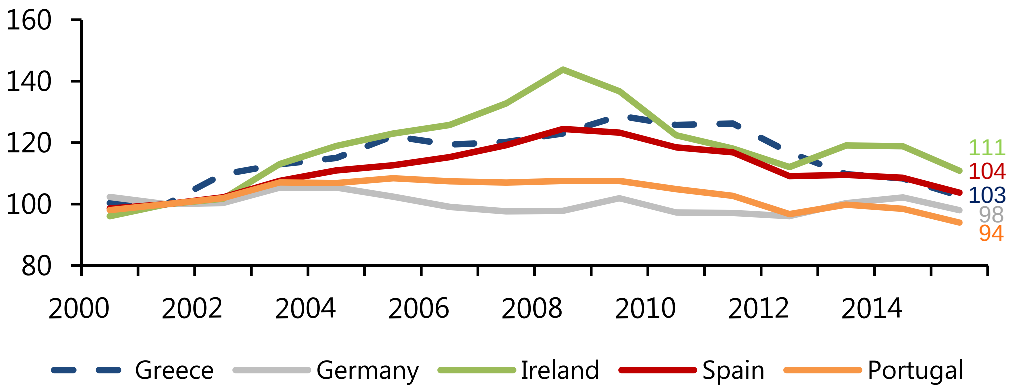
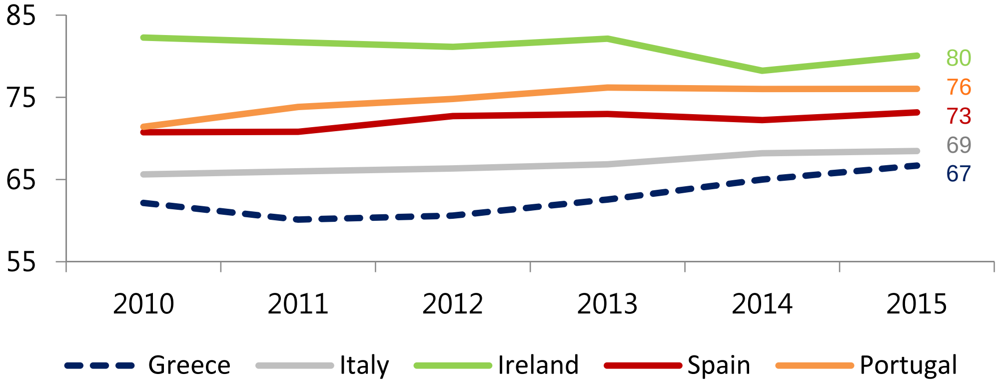
Real effective exchange rate – based on unit labour costs



World Bank's Doing Business – distance to frontier score (1)



Source: EU Commission; Word Bank; OECD

Notes: (1) An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier with the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005

(2) (i) Decentralisation of wage bargaining system, (ii) Softening of employment protection, (iii) Lowering of minimum wage, (iv) Notice prior to dismissal shortened and severance pay reduced

Commentary

- Greece's real effective exchange rate based on unit labour costs has returned to 2000 levels
  - Improvement by 26% since 2009
- Over the past five years, Greece has implemented a number of important structural reforms including:
  - Increase in labour market flexibility in four directions[2]
  - Rationalisation of public sector wage bill (single salary grid to all public servants)
  - Around 65% of 350 regulated professions have been opened up to competition
  - Cost of creating new business has been cut by more than 60% and licencing procedures have been streamlined
  - Progress on pension system reform with retirement ages aligned to euro area average

Recession in 2015 is set to be milder than expected while a strong recovery is feasible

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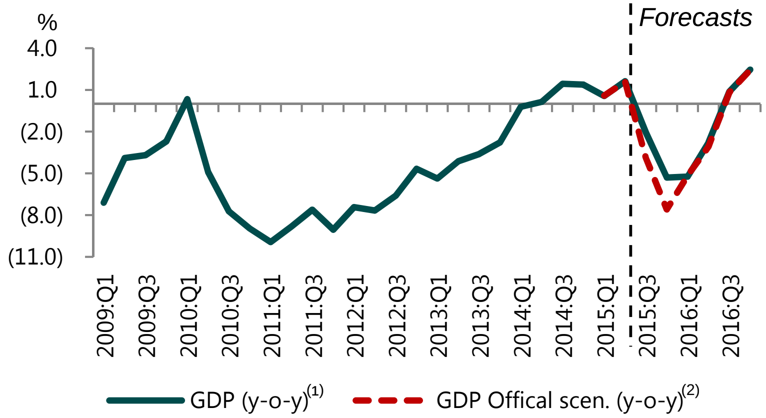
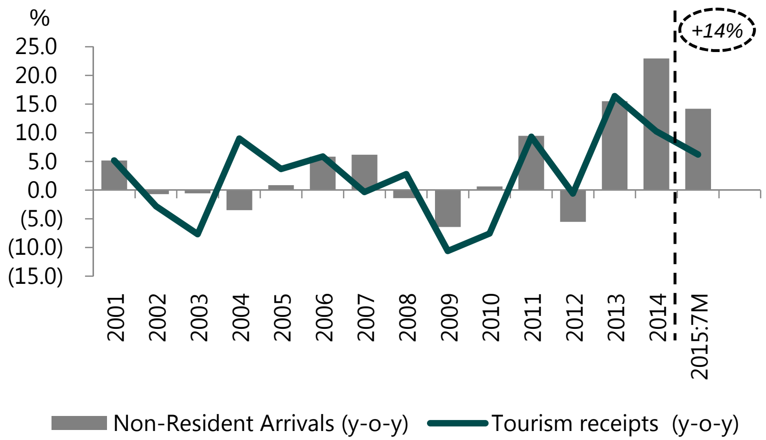
GDP growth and strong recovery

- ***Set-back expected to be temporary***
- ***Strong recovery expected mid-2016***



Tourism receipts and arrivals growth

- ***Economic activity outpaced expectations driven by strong tourism and increasing spending power due to imported deflation***



Economic Resilience During Capital Controls

- Capital controls were initially expected to have a large impact on a cash-based and import-dependent Greek economy
  - However downside pressures on activity are evident, but not severe
- Controls had been anticipated by Greek households and firms, permitting them to pre-emptively draw up contingency plans, such as:
  - Private sector built up liquidity buffers, and streamlined transactions with customers and suppliers from abroad
  - Greek firms preemptively increased their stocks of imported inputs to minimise the risk of external supply disruption
  - Cashless transactions doubled since July, reducing the impact of the capital controls and potentially accelerating the modernisation of transaction patterns
- **The resilience also reflects the advanced stage of economic rebalancing in Greece following a painful multi-year economic adjustment, which made it far more resilient to external shocks**
- **Importantly, the capital controls restricted fund outflows, keeping liquidity in the system**

Source: ELSTAT
Notes: (1) Forecasts based on NBG estimates
(2) Official sector includes ECB, EU Commission and Greek Government Budget 2016

Near term catalysts for resetting the recovery process

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Key next steps for the Greek economy

- Successful Completion of the 1st programme Review
- Bank recapitalisation with gradual restoration of confidence paving the way for a material easing of capital controls
- Reinstatement of the waiver on Greek securities by the ECB and participation in the QE programme
- A new round of OSI aiming to ensure long-term sustainability

Funding uses of the new programme

- ***New programme along with EU/EIB funds set the stage for a gradual normalisation of liquidity***

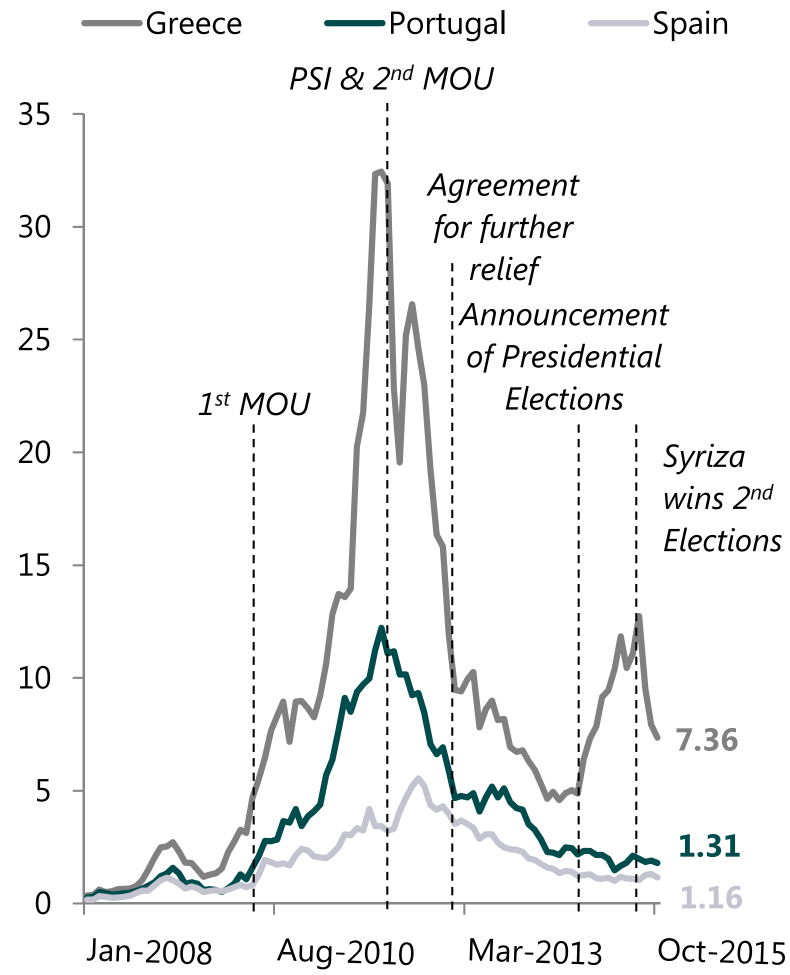
€47bn for Fully Covering Greek Government's Debt Servicing Needs Until Mid-2018

€14bn for Domestic Fiscal Needs
(Including Arrears Clearance and Rebuilding of Liquidity Buffers)

Up to €25bn for Bank Recapitalisation

Another €19bn are Available From EU Structural Funds & EIB Loans Until 2018

10yr Government bond spreads over bund



Source: Bloomberg

Upgrading Greece's long-term growth potential

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Restored Competitiveness	▪ New Programme focuses on further enhancing Greece's competitive advantages while progress in resetting external competitiveness is already notable: – Cumulative reduction in wages of 23% since 2010; Greek labour market is now among the most flexible and well educated in the Eurozone – Exports as % of GDP at historical highs in early 2015 (from 19% of GDP in 2009 to 32% in 2015)
Robust Liquidity and Limited Funding Risks	▪ The new programme covers Greece's debt servicing needs over the next three years while further bolstering liquidity in the system through the funding of various fiscal needs (i.e. arrears clearance) ▪ The recapitalisation of the banking sector will be a significant milestone in Greece's path towards sustainable recovery ▪ Successful implementation of the new programme would permit the banking system to take advantage of ECB's expansionary stance including outright purchases of Greek financial assets
Recovery of Consumption and Private Investment	▪ Following 7 years of economic uncertainty and deep recessionary pressures, it is expected that Greece's investment and consumption rates will start converging towards the EU average again, especially as confidence in the economy and the banking system is restored ▪ Potential to reverse the severe disinvestment of previous years and reallocate the existing productive capital towards more profitable uses ▪ The Juncker initiative and EIB loans could offer a restart to the Greek economy
Reformed and Modernised Economy	▪ The new program requires that Greece implements reforms that will address key structural economic issues for investors including: – Push forward with planned privatisations – Increase in labour market flexibility – Upgrade public sector efficiency and comprehensive opening of services and goods market to competition – Completion of pension reform with a view to ensuring long-term viability – Improve cost of doing business and support entrepreneurship

Source: EU Commission; Bank of Greece

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2Q'15 trading update

5

2Q'15 Financial Highlights & Themes

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1 **Domestic L:D at 104%(1) despite substantial deposit outflows in Q2**

- Greek banks' anticipated recapitalisation is expected to allow for the gradual relaxation of capital controls, improving household and business confidence levels
- Liquidity conditions remain tight, however, following the agreement, deposit flows have turned positive and Eurosystem funding is supportive
- Domestic outflows slowed to €3.6bn from €4.8bn in Q1 - returned to positive territory in Q3
- NBG operates with a best-in-class L:D of 104% in Greece and 112% at the Group level
- Eurosystem funding at the end of Q3 stood at €25.6bn (ELA: €15.6bn) from €23.6bn in March. Cash value of excess collateral at €8.0bn

2 **2Q'15 Group PPI reaches 421m (+18%) fending off sustained TL devaluation; Group PPI margin at 269bps**

- Group NII resilient at €750mn (-3.7% qoq), despite increased ELA reliance in the domestic business and further depreciation of TL in Q2
- Turkish NII up by an impressive 8.3% qoq in TL terms (2.2% in Euro terms)
- Group C:I at 57%

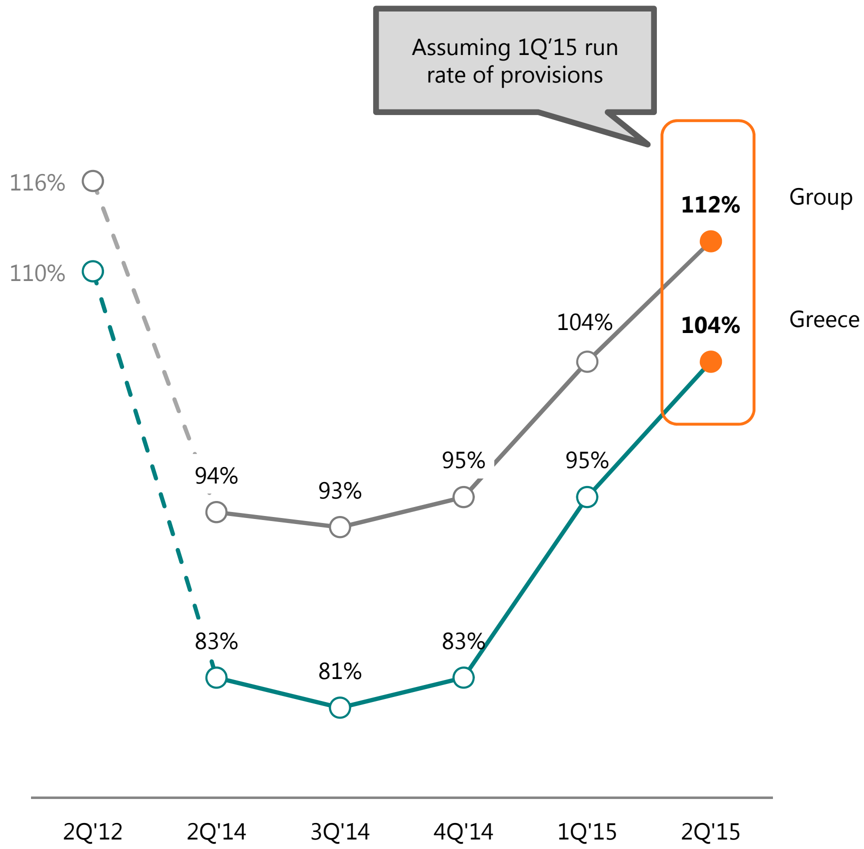
3 **Group 90dpd formation drops sharply to €133mn in Q2 vs €477mn in Q1**

- Domestic formation stood at €41mn vs €336mn in Q1
- Group 90dpd ratio at 24.6%, 30bps up qoq
- Domestic 90dpd +10bps qoq to 32.1%, driven by subdued delinquency flows in the retail segment (€142mn vs €377mn in Q1.15)
- Restructuring flows gather pace in Q2 and Q3

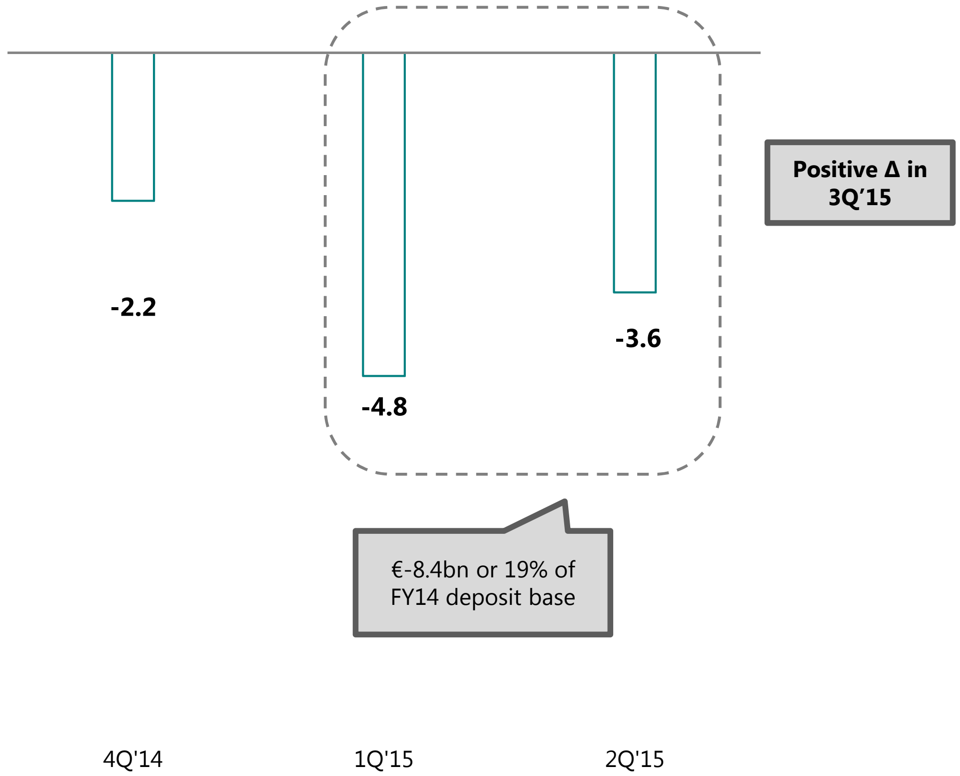
Source: NBG
Notes: (1) assumes Q1'15 run rate of provisions

1 Pre capital controls domestic L:D ratio at 104%

L:D ratio evolution



Greek deposit flows per quarter (€ bn)



Source: NBG

1 Cash value of excess collateral at €8bn

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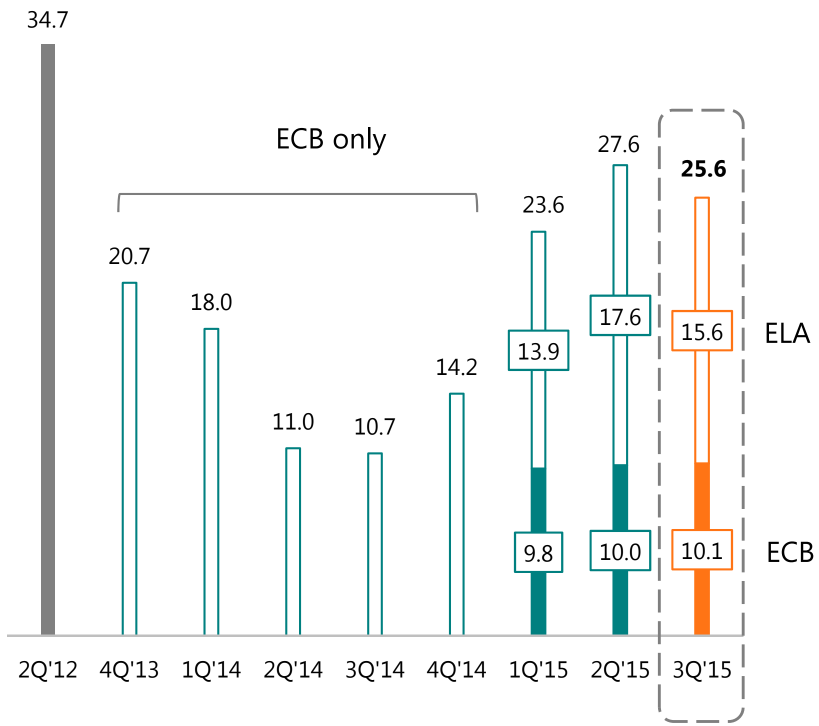
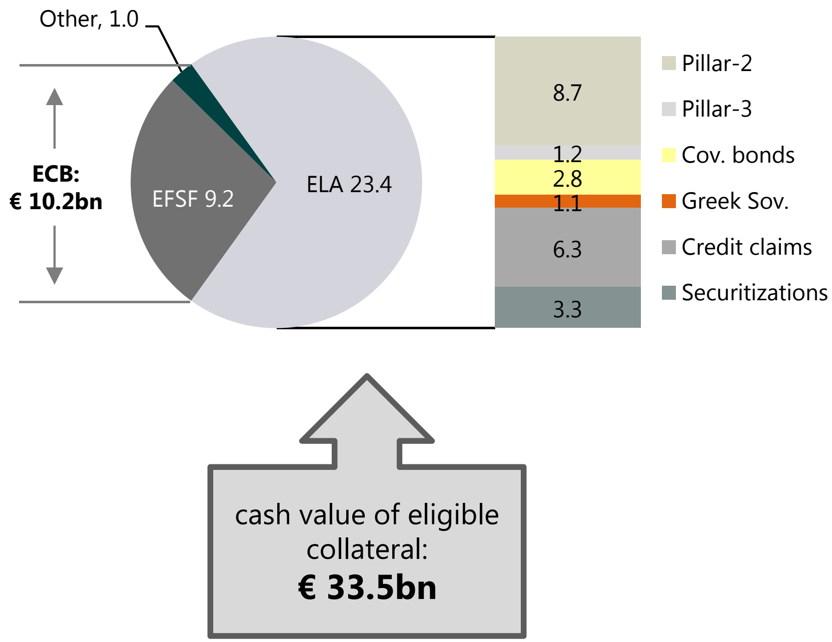
Eurosystem funding (€ bn)



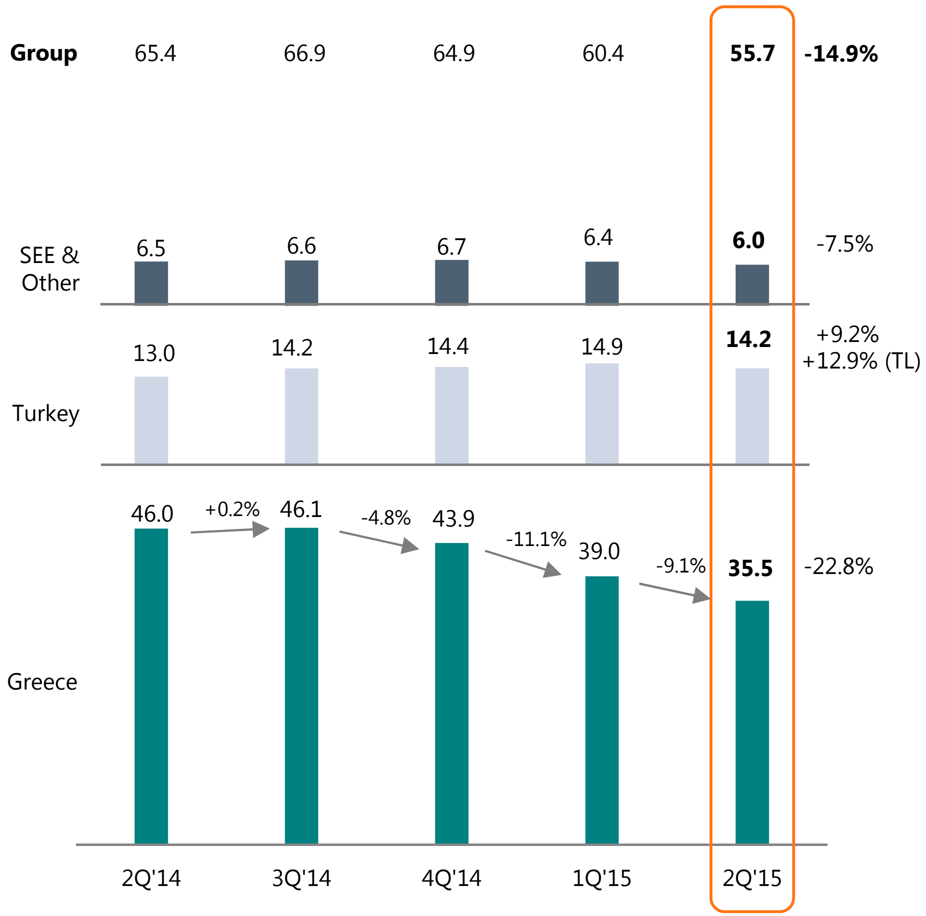
Eurosystem collateral cash values (€ bn) – 3Q15



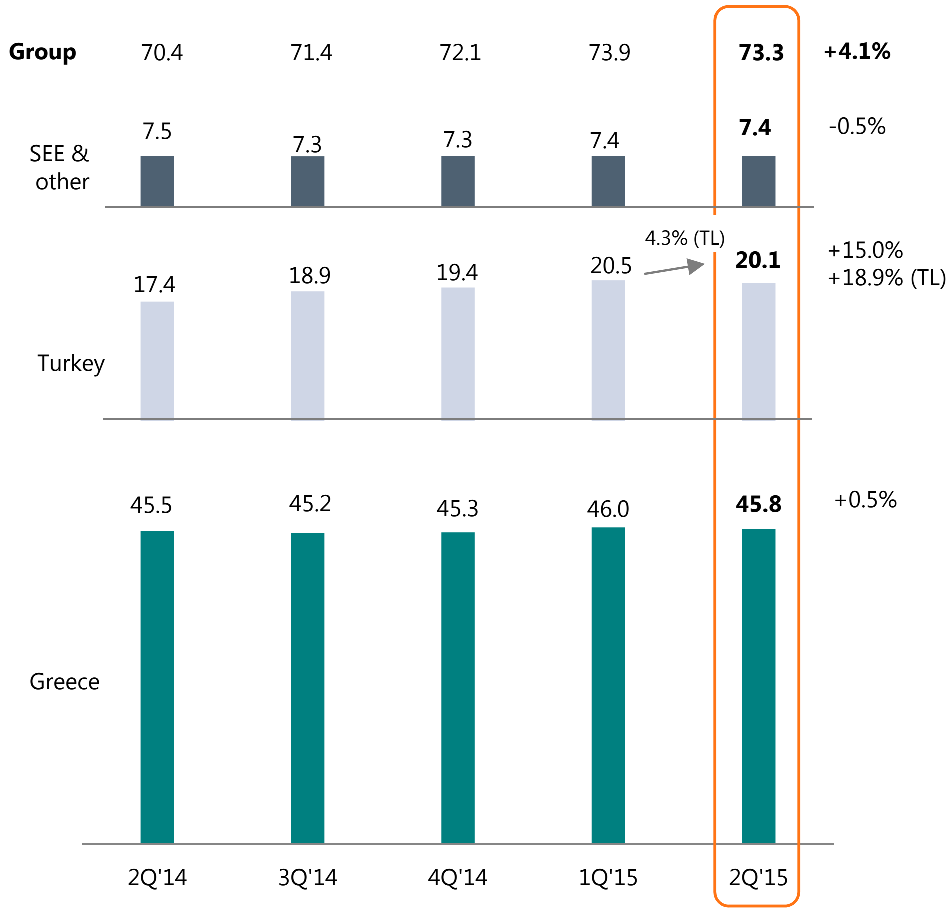
Source: NBG

1 Domestic deposit outflows moderate in 2Q, in positive territory in 3Q

Deposits' evolution by geography (€ bn)



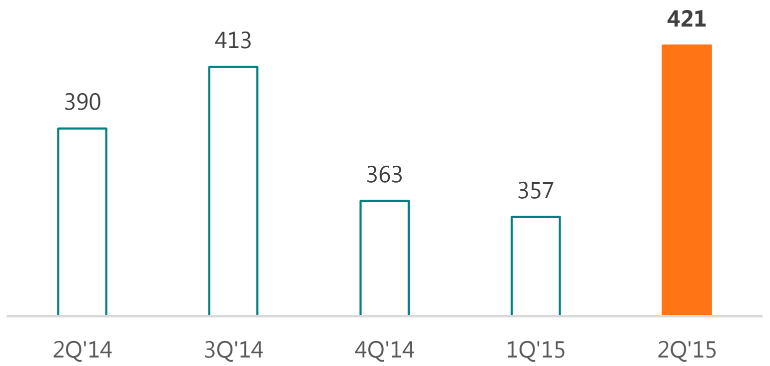
Gross loans' evolution by geography (€ bn)



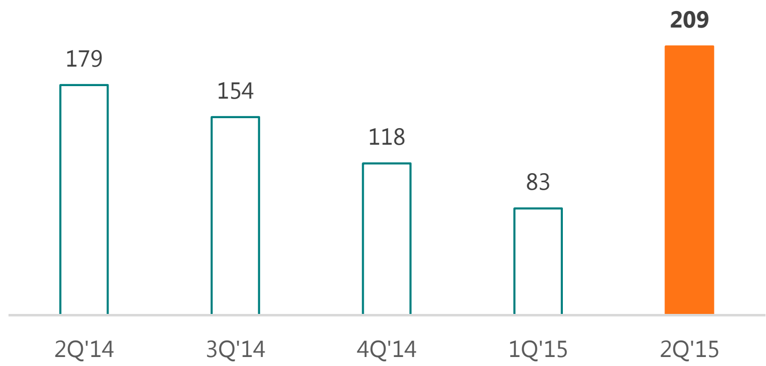
Source: NBG

2 Group PPI rises 18% qoq as non-core income normalises

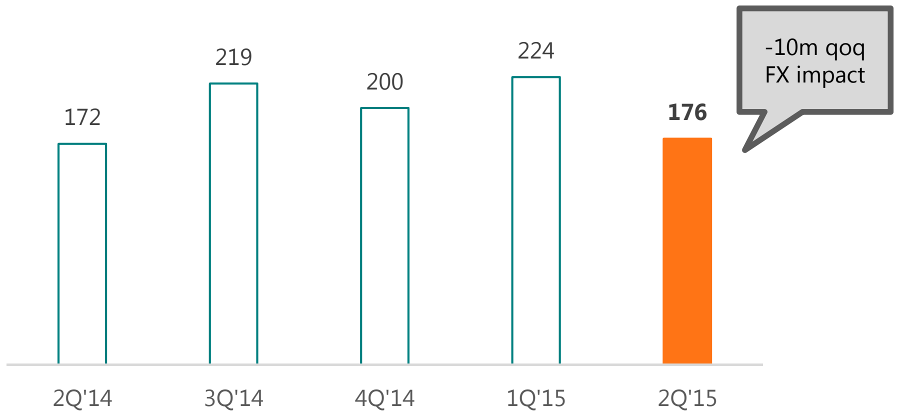
PPI Group (€ mn)



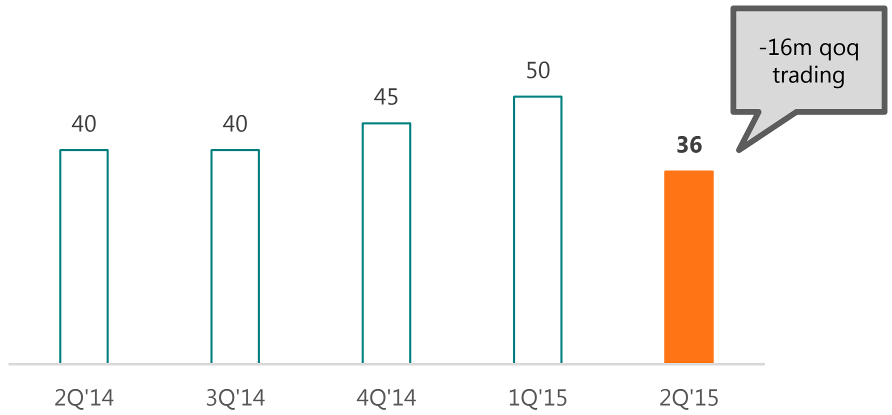
PPI Greece (€ mn)



PPI Turkey (€ mn)



PPI SEE & other (€ mn)



Source: NBG

2 Group NIM at 309bps (-12bps qoq) reflects ELA substitution impact

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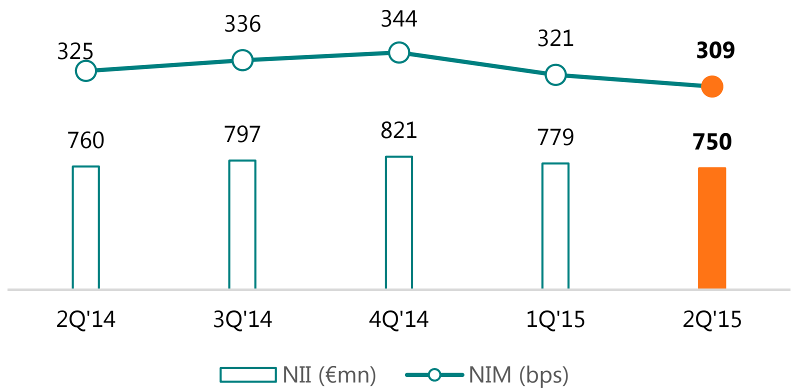
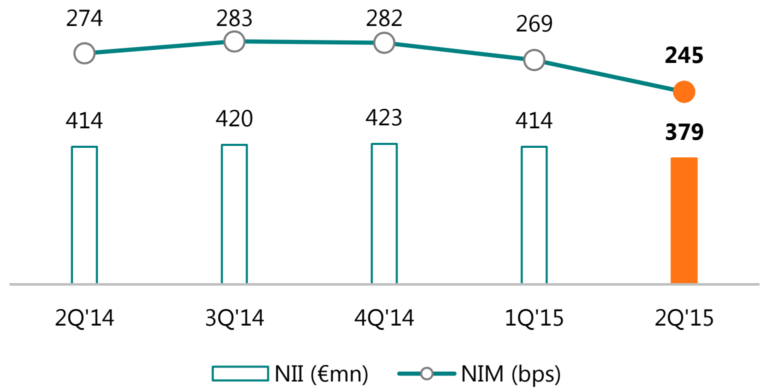
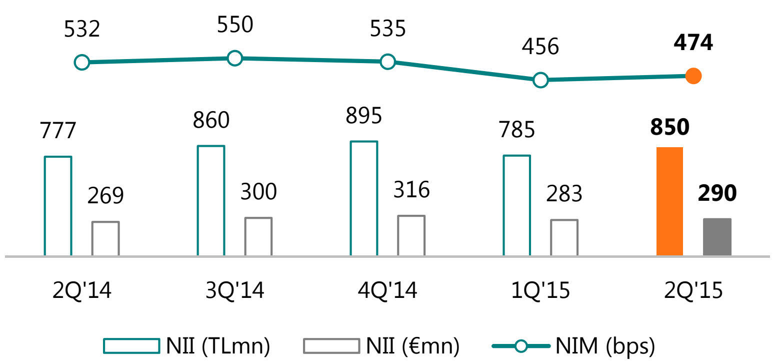
Group



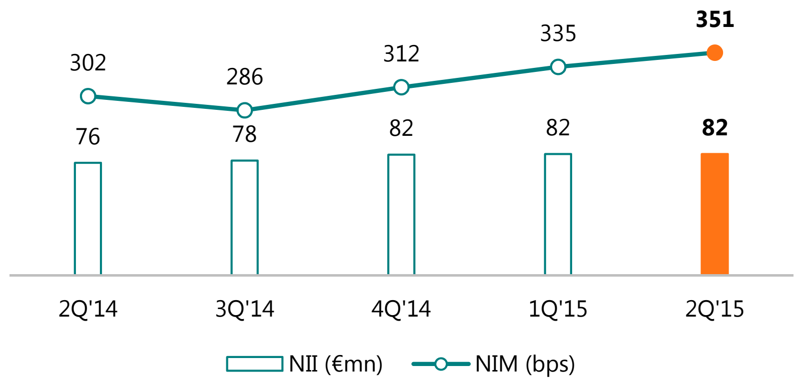
Greece



Turkey



SEE & Other

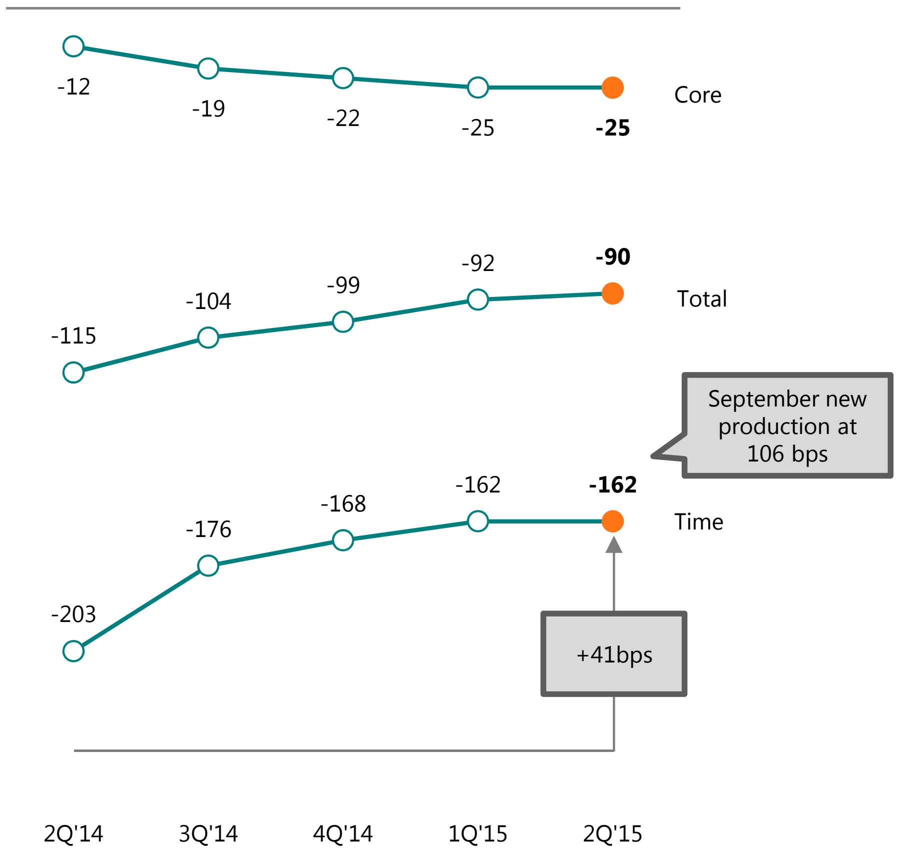


Source: NBG

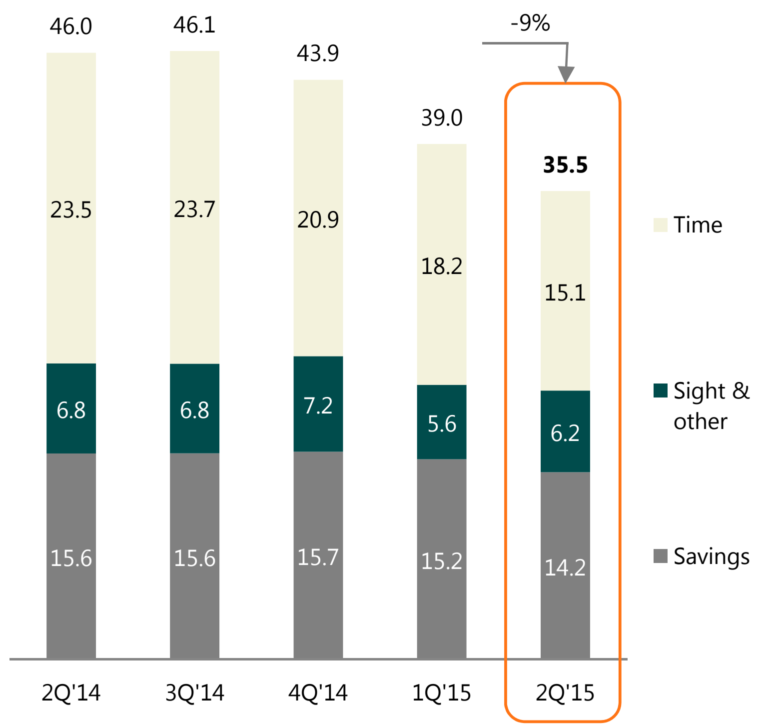
2 Lower pricing in time deposits to reduce further funding costs

NATIONAL BANK OF GREECE

Greek deposit spreads (bps)



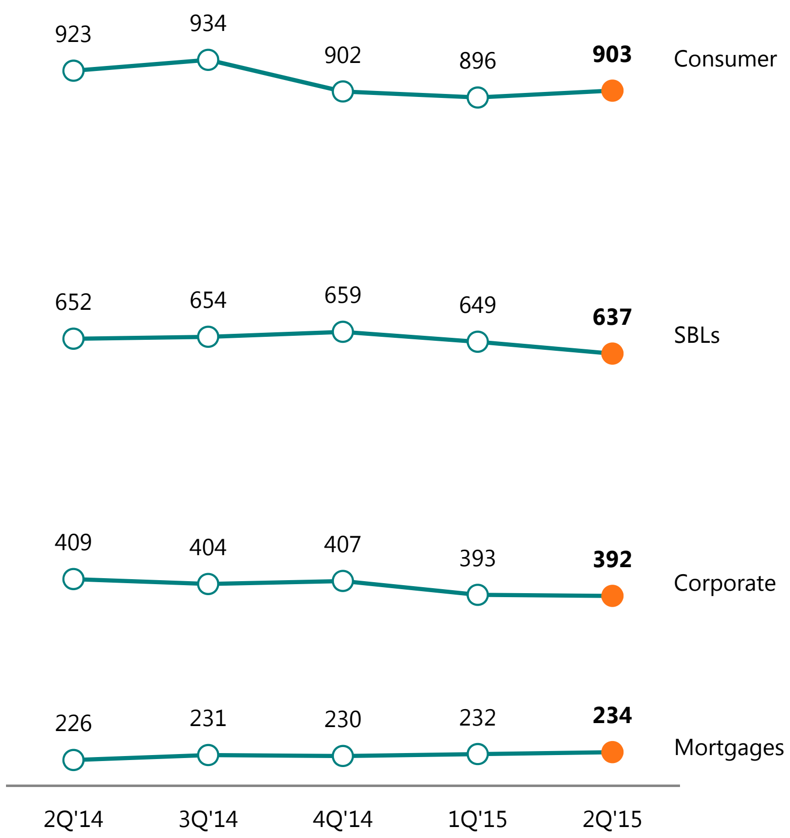
Greek deposits evolution (€ bn)



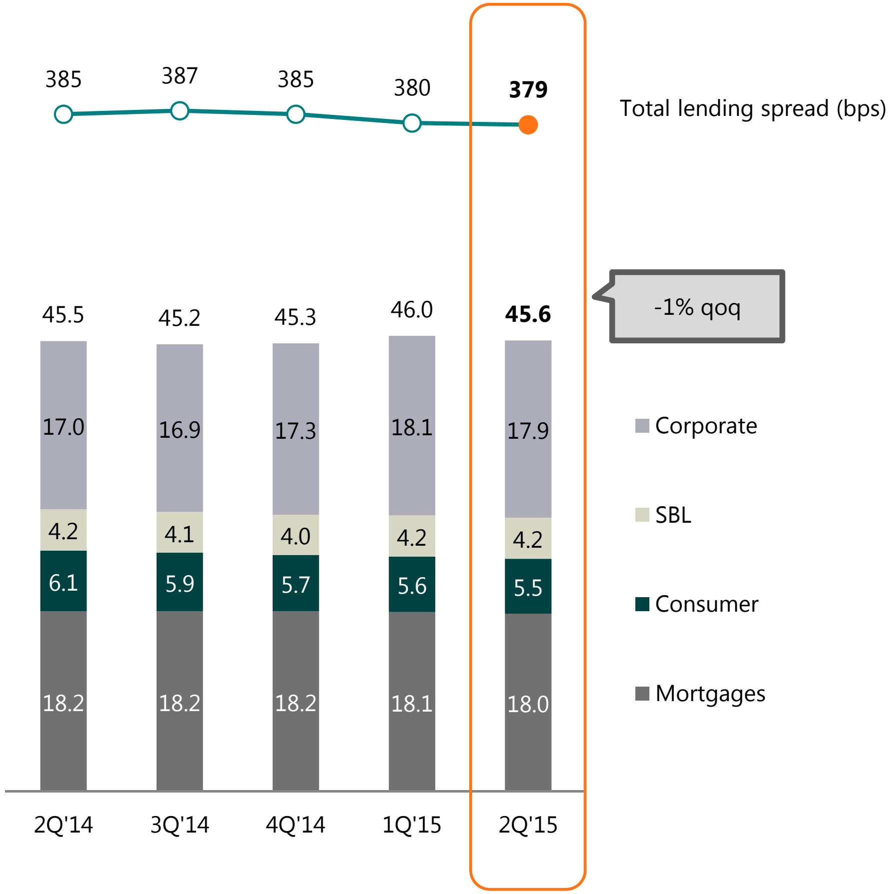
Source: NBG

2 Greek lending spread remains steady at 379bps

Greek lending spread (bps)



Greek gross loans evolution (€ bn)



Source: NBG

2 Domestic C:I continues to improve

NATIONAL BANK OF GREECE

Group OpEx by geography (€ mn)

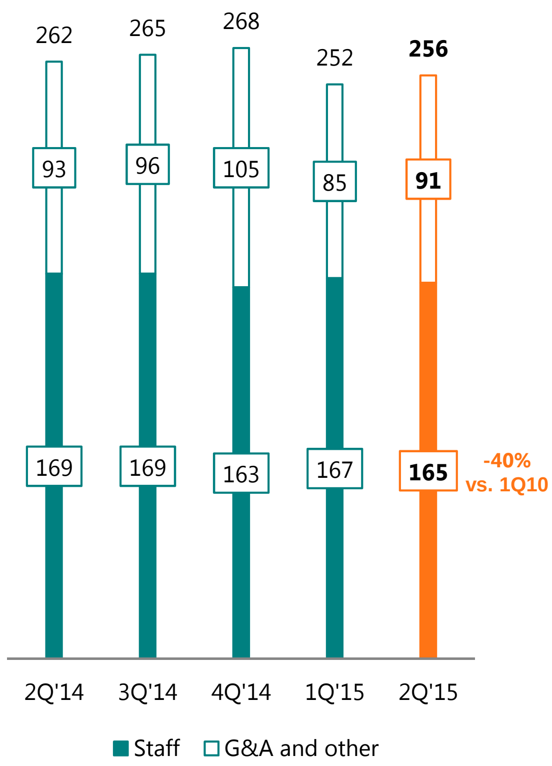
Incl. €7m cash bonus

	2Q15	1Q15	2Q14	qoq	vs. 2Q14
Greece	256	252	262	1.7%	-2.3%
Turkey	228	209	180	9.4%	26.7%
SEE & other	68	64	62	5.6%	9.7%
Group	**552**	**524**	**504**	**5.2%**	**9.5%**

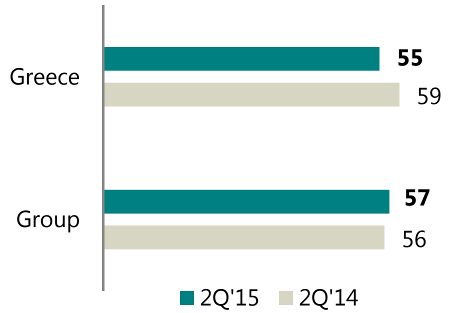
Group OpEx by category (€ mn)

	2Q15	1Q15	2Q14	qoq	vs. 2Q14
Personnel	305	291	278	4.8%	9.7%
G&As	196	183	175	7.4%	12.0%
Depreciation	50	50	51	0.2%	-2.0%
Group	**552**	**524**	**504**	**3.0%**	**7.1%**

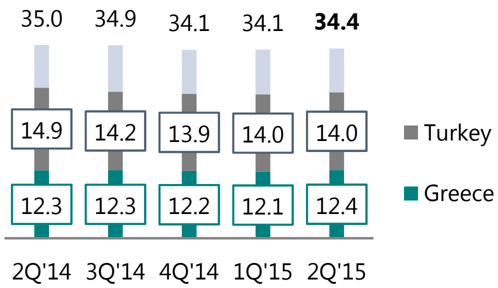
Greek OpEx evolution (€ mn)



Cost-to-income ratios (%)



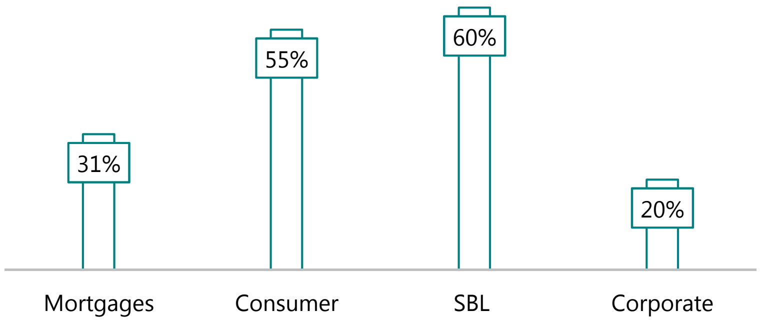
Headcount evolution ('000)



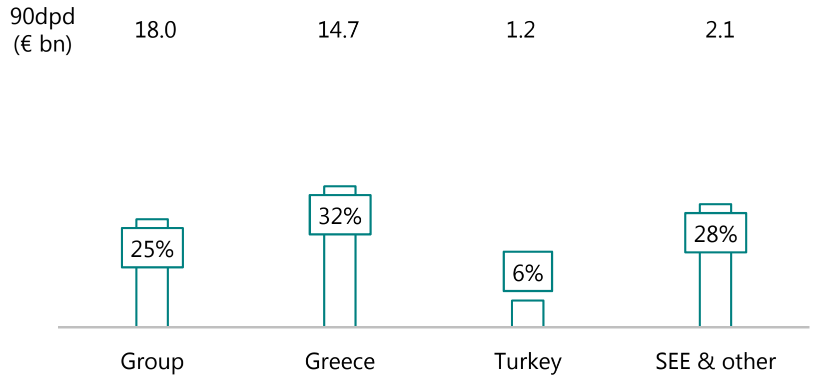
Source: NBG

3 Domestic 90dpd stock stable in Q2; formation contracts

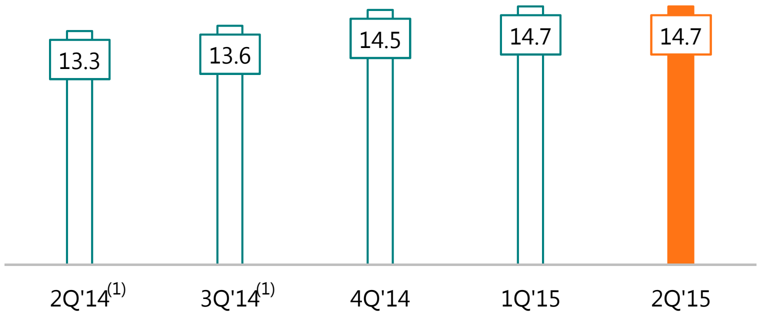
Greek 90dpd ratio per segment



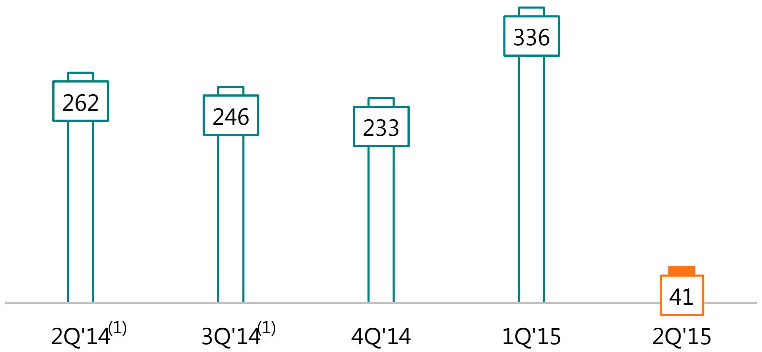
90dpd ratio per geography



Greek 90dpd stock (€ bn)



Greek 90dpd formation (€ mn)

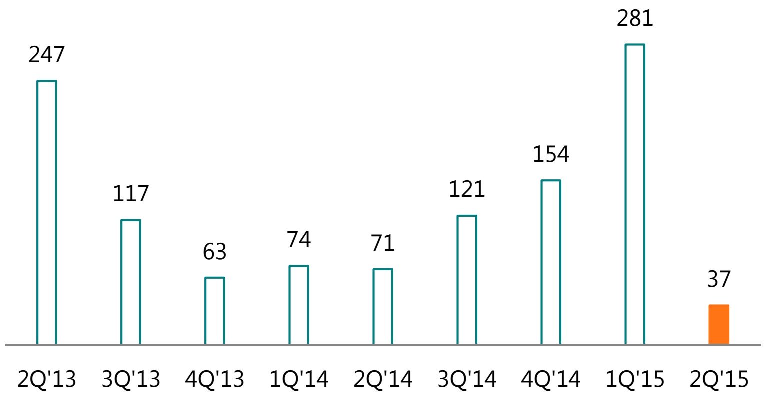


Source: NBG
Notes: (1) Mortgages at 180dpd

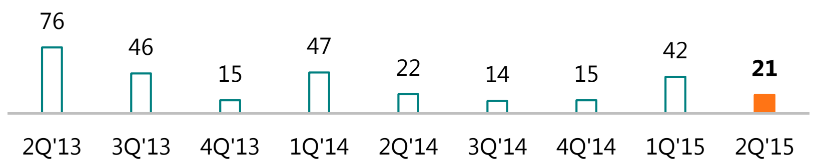
3 Domestic formation abates in 2Q reflecting accelerated restructuring efforts

NATIONAL BANK OF GREECE

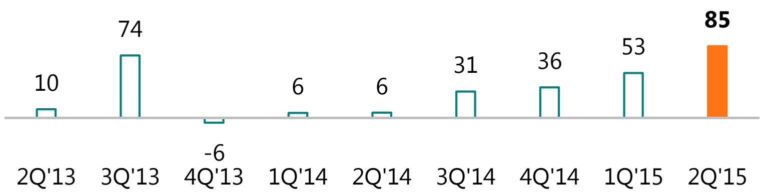
Mortgages[1] (€ mn)



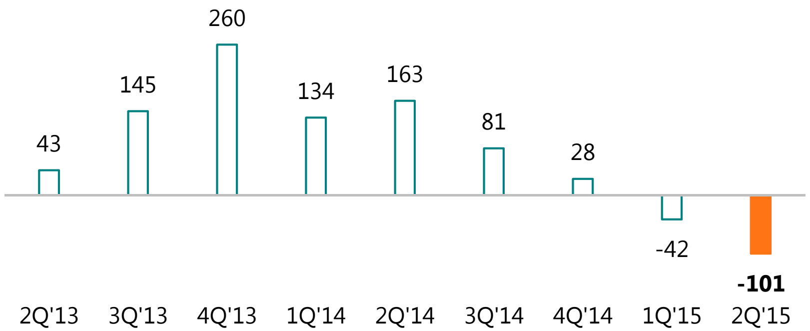
Consumer (€ mn)



SBLs (€ mn)



Corporate (€ mn)



Source: NBG
Notes: (1) Mortgage formation up to 3Q14 Is on 180dpd basis; 4Q15 onwards is on a 90dpd basis

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